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AN INCOME TAX: IS IT DESIRABLE?

An income tax considered superficially has unquestionably some features that strongly commend it to popular approval. What can be fairer, it is asked, than that each citizen should annually contribute a fair and just proportion of his net gains, or income, for the support of the government under which he has elected to live, and in default of which he would not be likely to have either gains, income, or property? Such a method of supporting a government would obviously, in point of certainty, equality, and productiveness, accord in the highest degree with those canons or maxims of taxation which are regarded by nearly all economists and jurists as the highest embodiment of human wisdom on this subject.

Hence many persons are unable to understand how it is that the same authorities that are willing to indorse what may be termed the underlying principles of an income tax are almost unanimously opposed to their practical application as a means of raising revenue, and thus apparently subject themselves to a just charge of inconsistency. These same persons, however, fail to appreciate the fact that, in the enacting of laws for the collection of revenue, and indeed for most other purposes, human nature as it exists, and not as it theoretically ought to be, has got to be taken into account and recognized as a most important factor. Thus, as some old writer has expressed it:

> "If all were of one mind, and one mind good,
> O, then were desolation of jails and gallowses,"

—to which might be added: If all were willing to live up to and carry out the theory of an income tax, there would also be desolation of tar-

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iffs and custom-houses and internal-revenue departments and excises. But that is exactly what human nature, as we find it, will not agree to have in the one case, or to do in the other. In fact there is hardly any other one thing which human nature so much dislikes to do as to pay taxes, although it is capable of demonstration, even to a most obtuse intellect, that there is no one act which can be performed by a community which brings in so large a return to the credit of civilization and general happiness, as the judicious expenditure for public purposes of a fair percentage of the general wealth collected under an equitable system of taxation. A homely illustration of the truth of this proposition may here be pertinent.

While I was seated, some years ago, in the room of the cashier of a leading country bank, a farmer—one of the most shrewd and thrifty of the New England type—came in to consult about making a small investment. After expressing his wishes to his friend, the cashier, he closed the interview by saying, "Well, I'll leave it with you to do what you think is best; but put me into something on which I will not have to pay taxes; for, if there is anything in the world that I hate to do, it is to pay taxes." And yet this man, whose intelligence and business capacity had made him thrifty, and a leader in thought and action at the place of his residence, did not seem to be conscious that he was living under a system of indirect taxation that increased the price of nearly every commodity that entered into his living, and compelled him to pay, by reason of its indirection, a full 50 per cent more than the government which imposed the tax actually received. He had, furthermore, no conception of the fact that a man, to avoid taxation, must go into a wilderness where he has no neighbors, and that, as soon as he has a companion, if that companion be only a dog, his taxation begins. It was enough, however, for the farmer that his taxation was not personal. He obviously had no concern about any other taxes to which he might be subjected, provided that he was allowed to remain ignorant of the time, place, and amount of their incidence; and for the pleasure of indulging in such ignorance he was willing to pay more than for any other luxuries.

Now an income tax is the very essence of personal taxation. Notwithstanding the decision of the Supreme Court of the United States that it is not a direct tax, it comes to the taxpayer most directly; and this is the first reason why human nature does not like it. The world's experience is to the same effect in respect to a "poll" or "head" tax. This is acknowledged to be a direct tax, and alto-

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gether personal in its incidence. It has accordingly always been most unpopular. Its collection has been the occasion of great civil disturbances in the world's history, and it has been denied a place, by popular vote or constitutional provision, in the tax system of twenty States of the Federal Union.

A second and more important reason why a general income tax powerfully antagonizes popular sentiment is, that its efficient administration, or revenue productiveness, requires that every person liable to taxation in respect to his annual net gains, profits, or income shall make to a government official an exhibit of the financial condition of his estate, business, or profession: for, in default of such an exhibit, any basis for assessment must be a mere matter of conjecture on the part of the assessor, with a result devoid of any pretence to correctness or equality. But such an exhibit, necessarily disclosing to a greater or less degree his financial condition to his business competitors and to a curious, gossiping public, no man will willingly make; and he naturally regards it as in the nature of an outrage on the part of a government that seeks to compel him to do it. Hence the successful administration of an income tax involves and requires the use of arbitrary and inquisitorial methods and agencies which, perfectly consistent with a despotism, are entirely antagonistic to and incompatible with the principles and maintenance of a free government.

In support of this assertion attention is asked to the following historical evidence. It is well known that one of the principal causes which led to the great French Revolution was the inequality (class-exemptions) and multiplicity of taxes, and one of the first acts of the National Assembly of 1789 was to repeal all inquisitorial and arbitrary taxes of every name and character; and this repeal was based on the report of a committee composed of some of the most eminent members of the Convention,—La Rochefoucauld and Talleyrand being of the number,—which commenced with the following proposition: "Every system of taxation which necessitates personal and arbitrary inquisitions for its execution is inconsistent with the maintenance of a free people." And from that day to this, France has never sanctioned any system of taxation inconsistent with this principle, although at the present time, by reason of a national debt greater than was ever borne by any other nation, the Government of France has felt compelled to resort to almost every other method for obtaining revenue.

Again, Alexander Hamilton, who was a member of the conven-

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tions that framed the Constitution of the United States, as well as the first Constitution of the State of New York, in discussing this subject (in the "Constitutionalist"), also expressed himself as follows:

"The genius of liberty reprobates everything arbitrary or discretionary in taxation. It exacts that every man, by a definite and general rule, should know what proportion of his property the State demands. Whatever liberty we now boast in theory, it cannot exist in fact while (arbitrary) assessments continue."

The United States Supreme Court, in the case of *Boyd* v. *United States* (116 U. S. Rep., 631, 632), has also expressed itself as follows:

"Any compulsory discovery, by extorting the party's oath or compelling the production of his private books and papers to convict him of a crime or to forfeit his property, is contrary to the principles of a free government. It is abhorrent to the instincts of an Englishman. It is abhorrent to the instincts of an American. It may suit the purposes of despotic power, but it cannot abide the pure atmosphere of political liberty and personal freedom."

So much for what may be termed the philosophy of an income tax. Consideration of some of its most instructive experiences is next in order.

The old Romans, who never gave much place to sentiment in their laws or policy, had an income tax in the earlier days of the Empire, and they overcame all difficulties connected with its administration in the following manner. They authorized their tax officials, in cases where the citizen did not in their opinion make a satisfactory payment, or was suspected of false statements in respect to his income or property, to administer torture; and the historian Gibbon, in writing about this feature of Roman history, justifies it in a measure in the following language:

"The secret wealth of commerce, and the precarious profits of art and labor, are susceptible only of a discretionary valuation: and as the person of the trader supplies the want of a visible and permanent security, the payment of the imposition, which in the case of a land tax may be obtained by the seizure of property, can rarely be extorted by any other means than corporeal punishment."

That the Roman income-tax system was successful as respects revenue, is probable; but it was also destructive of the State: for the testimony of history is that its people finally welcomed the inroad of the barbarians as a lesser evil than the continuance of their tax system.

As has been already intimated, there has been nothing corresponding to a general income tax, with personal inquisitorial features, in the fiscal system of France, since the Revolution of 1789. In place of it, taxes are levied on the *indicia* or signs which each citizen presents of his possession of income or personal property; and the rents or rental value of the premises he occupies for residence or busi-

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ness, and the doors and windows of buildings, are regarded as such signs or *indicia*. A tax of three per cent is levied on the interest and dividends of certain securities, shares and bonds issued by departments, communes, and industrial establishments; but its administration is not direct and does not affect associations of partnership, nor private obligations or mortgages.

Russia, some time since, also abandoned the idea of an income tax, and is reported to have substituted a tax upon the rental of occupied houses, with certain exemptions, to be paid by the tenant.

The only one of the great governments of the world at the present time which can prefer a claim to a large measure of success in administering an income tax is that of Germany, and especially that of the Kingdom of Prussia. And the methods by which such success has been attained, and which seem to be based on the precedents established by the old Romans so far as the changed conditions of civilization will permit, ought to be most instructive to those who think this tax can be officially administered and made notably productive of revenue in the United States. The tax in Germany is levied as it were in duplicate, or under two forms: first, by towns and cities, and termed "communal"; and second, by the State, under the designation of "class" tax. An entire exemption from these taxes is granted only to the very poorest and humblest of the population.

"Petty hucksters with a small stock of potatoes, second-hand clothes peddlers, servant-girls earning $4.25 a quarter, pay the communal tax, and are also inscribed in the first (or lowest) grade of the class tax." [1]

Every foreigner staying in Prussia more than one year, but with no intent of becoming a permanent resident, must expect to be taxed on his income at the expiration of the first year, although none of the sources of such income may be within the territorial jurisdiction of Prussia. Up to the year 1891–92 the income tax of Prussia was levied by a Board of Income Tax Commissioners, one-third of whom were appointed by the authorities, and two-thirds by the taxpayers. The assessing was done by the Board on information and evidence obtainable: and in the absence of authentic proof as to the amount of annual income, "circumstantial and hypothetical evidence was accepted." Parties thus assessed might appeal from the conclusions of the Board to another tribunal organized for that purpose, whose decision was final. Appeals are not often made to this latter board, as the methods adopted by it to bring unwilling or evasive taxpayers to terms are harsh and in-

[1] U. S. Consular Reports, Nos. 99, 100, p. 461.

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quisitorial in the extreme, and most peremptory. The *modus procedendi* against delinquent taxpayers is very summary. If, after three days' written notice, payment fails to be made, a mandate is issued by the tax-collector, and the property of the delinquent, especially his household goods, is seized and sold. By another curious provision in the German tax law, the collector of taxes is made personally liable for any taxes lost by reason of his failing mercilessly to enforce the collection within a prescribed period. In 1891 some mitigation of the harsh proceedings involved in the assessment of the income tax in Prussia was made by the government, and now every taxpayer is allowed to make a return.

The idea of a general income tax as a means of raising revenue was first embodied in the form of a statute in Great Britain under the administration of Mr. Pitt in 1798; and was proposed and advocated solely as a means for obtaining additional revenue for the prosecution of the war with France. It imposed a tax of ten per cent on all incomes in excess of £200 ($1,000). After the Peace of Amiens, in 1802, it was repealed on the ground that a tax of this character ought to be exclusively reserved for the exigencies of war; and for the same reason it was reimposed on a revival of the war during the following year. Subject to various modifications it formed an important constituent of the fiscal system of Great Britain until after the battle of Waterloo and the Peace of 1815, when it was again repealed. After this, nothing more was heard about it until 1842, when Sir Robert Peel reimposed it as a merely temporary measure,—*i.e.* for a period of four years. It has, however, since remained a permanent feature of the British fiscal system, although its repeal has been promised and anticipated by various administrations; and in the general election of 1874, Mr. Gladstone, in an address to the country, especially asked that confidence and continued administration of the government be given him, on the ground that he contemplated an early repeal of the income tax. Circumstances, however, have prevented any such action, and in subsequent years of office Mr. Gladstone has not hesitated to raise the tax whenever the necessity for additional revenue became imperative. That he has regretted his inability to abolish it is evident from his saying in his financial statement in 1853:

> "I think that some happier Chancellor of the Exchequer may achieve this great accomplishment, and that some future poet may be able to sing of him—
>
> 'He took the tax away
> And built himself an everlasting name.'"

From the outset the income tax has been more odious and un-

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popular in Great Britain than any other form of taxation. Among statesmen and economists there is hardly any dissent from the opinion that the tax is bad in principle, because unequal and unjust in its assessment, and incapable of being made equal and just; and this, too, although the administration of the revenue laws of Great Britain —owing to the comparatively small area of territory subjected to supervision, and the fact that the tenure of office on the part of officials is dependent solely on honesty and intelligence—is wonderfully efficient, far more so than can be expected under existing conditions in the United States. The annual reports of the British Commissioners of the Inland Revenue always mention extensive evasions of the income tax. For the year 1864–65 the amount of such evasion was estimated to have been equal to about one-sixth of the revenue collected under it. The demoralizing effects which are inevitably produced by the habit of making false returns respecting income are regarded by many British authorities as far more deplorable than those resulting from any inequality contingent on this form of taxation: as the transition from a fraud upon the government to a fraud upon the public is comparatively easy. On this point, Mr. Gladstone, speaking in 1853, said: "I believe it [an income tax] does more than any other tax to demoralize and corrupt the people"; and Mr. Disraeli, in Parliament, expressed his agreement with Mr. Gladstone by saying, "The odious features of this tax cannot by any means be removed or modified."

Attention is next asked to the recent experience of the United States in respect to an income tax. Under the great financial necessities of the Federal government by reason of the war, the attention of Congress was directed to an income tax as a source of revenue as early as the summer of 1861; and in that and the following year, laws establishing such a tax were created. Their provisions were, however, so complicated, and the methods authorized by them so inquisitorial, that the Commissioner of Internal Revenue reported in 1863 that they deprived the tax "of all claims to public favor." The revenue returns under such circumstances were very moderate: $2,741,858 in 1863, and $20,294,000 in 1864. In this latter year a more comprehensive and effective law was enacted, which was followed by better results; the collections to the credit of the income tax rising from $32,050,000 in 1865 to $72,982,000 in 1866, and $66,014,000 in 1867. But as the necessity for very large revenues on the part of the government ceased with the termination of the war, and the

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spirit of patriotism engendered by the war on the part of the people abated, the collections fell off very rapidly. Thus between 1866 and 1867 the total receipts on account of the income tax, without any change in the law, declined from $72,982,159 to $66,014,000; and in 1872, with an exemption of $2,000, only 72,949 persons in the United States, out of a population of over 39,000,000, admitted under oath that they were in receipt of any income liable to taxation in excess of the exemption. Those only who were officially and intimately connected at this time with the Internal Revenue Department of the United States Treasury can form any adequate idea of the amount of perjury and fraud that characterized and pervaded the country, during the years 1867–72, as the outcome of the then existing system of Internal Revenue. And American ingenuity was never more strikingly illustrated—not even by the exhibits of the Patent Office—than it was at that time in devising and successfully carrying out methods for evading the taxes on incomes and distilled spirits. The writer, as United States Special Commissioner of the Revenue, proposed in the latter months of 1869 to make a special and official inquiry as to the influences which were then operative in reducing the revenue from the income tax, and make public the results. But the Secretary of the Treasury refused his consent to the proposition, on the ground that he did not think it was for the interest of the government that the public should have any additional information on this subject.

One curious feature of Federal experience with this tax, the tolerance of which would now be regarded as incompatible with any just and efficient administration of it, was, that the returns made under it were thrown open to the public; and one commissioner of Internal Revenue instructed his officials to have them published in the pages of local papers, "in order," as he said, "that the amplest opportunity may be given for the detection of any fraudulent returns that may have been made." This idea did not, however, find much favor with the public, who in fact, during the later years of the tax, were inclined to regard with great equanimity all successful attempts to evade it.

The income tax ceased to form a part of the Internal Revenue system of the United States after the year 1872. It has, however, since been made a part of the tax system of several of the States; and the following record (hitherto generally overlooked by the public) of the recent administrative experience of one State ought to be espe-

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cially worthy the attention of those who advocate the re-adoption of this form of taxation by the Federal government.

No State in the Union has a more illiberal, all-pervading system of taxation than Massachusetts, and in no State is the administration of tax-laws more stringent and arbitrary. What Massachusetts fails to accomplish in the assessment and collection of taxes, would therefore seem to be of little use for any of the other States, or the Federal government, to attempt with any anticipation of success. This Massachusetts system finds its fullest exemplification in the city of Boston; and the officials who constitute its department of municipal taxation never indulge, as the taxpayers well know, in much sentiment in the discharge of their duties. The acknowledged representative of this Board for many years never hesitated to say that he recognized but one principle, and that was, that in matters of taxation the taxpayer had no rights which the State was bound to respect; and, as chairman of a State Commission which some years ago made a report to the Legislature, and with the Declaration of Independence confronting him with its assertion that it is a self-evident truth that "all men are endowed by their Creator with certain inalienable rights," he also gravely asserted that "the individual person [in Massachusetts] has no inalienable rights except that to his own righteousness."

One of the specialties of municipal taxation in Boston, under the supervision of its Board of Assessors, is an income tax, and its methods of administration are substantially as follows: Taxpayers are required to make a return annually, and in detail, of all their property which the law makes subject to taxation (and that embraces almost everything in Massachusetts except their proprietary interests in graveyards); and in blanks officially furnished for such purpose there is a special space for a return of every individual's income. If no return is made, then the Board of Assessors meet in secret in an upper room of the City Hall, known as the "Dooming Chamber," and arbitrarily determine the amount of income for which each delinquent shall be assessed; and from such determination there is practically no appeal. The amount thus assessed for income to the individual is then "lumped in" with the aggregate of his other taxes, and if a dissatisfied taxpayer wishes to discover what amount has been decided upon as his income, the assessors will not afford him any information. Under such circumstances it might naturally be supposed that the administration of an income tax in the city of Boston would be an unqualified success. But what are the facts?

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The Boston "Advertiser," which ought to be regarded as good authority, in a recent issue makes the following statement:

First, comparatively few of the taxpayers of Boston make any returns to the assessors of their income. *Second*, the returns that are made are not open to the inspection of the public. There is no law in Massachusetts covering this point,[1] but one of the Boston assessors is reported as saying that if the returns were open to public inspection none would be made, as the chief objection of taxpayers to filing returns was the fear that their incomes from business or professions might be known. The statutes of Massachusetts, however, provide that the returns of each individual's property shall be made by the assessors of every city and town in the State to the Secretary of the Commonwealth: but inquiry shows that the Boston assessors make no such returns. *Third*, although the amount annually collected from an income tax in the city of Boston is very considerable,—$840,000 in 1892,—it probably represents, according to the "Advertiser," "*only about one-fourth of what is due the city from incomes.*" In the face of such an exhibit the question is pertinent, What measure of success do the present advocates of a Federal income tax expect will follow an attempt to expand the Boston system of its administration over an area of country extending from Florida to Alaska? One would naturally think that the lesson of experience which the government and the people of the United States have already had would restrain further experimenting with this subject until the next war or the arrival of the Millennium.

That a free government cannot efficiently collect a tax which its people regard as unjust, without a resort to despotic methods which public sentiment in turn will not tolerate, is illustrated in this further tax experience of Massachusetts. The State laws require that citizens who are shareholders in corporations organized in other States shall be taxed in Massachusetts on the market value of shares so held; and such owners are required to make a return under oath of the amount of such property in their possession. Yet a petition recently presented to the Legislature by representative members of Boards of Trade and Chambers of Commerce recites that the law in question "is ineffective and therefore ridiculous; as is proved by the fact that although the market value of shares of foreign corporations held by citizens of Boston alone is known to be over $600,000,000, the

[1] The tax laws of New Hampshire and Vermont are drafted especially with a view to compelling the disclosure of income.

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amount taxed by the assessors of Boston is only estimated at $45,000,000; and nearly all of this that is known, is taxed to the unfortunate people whose estates are in trust."

A few other points bearing on the proposition to re-enact a Federal income tax, which do not seem to have attracted attention, are worthy of consideration. Such a tax necessarily involves multiple taxation on one and the same income, person, and property. For example: a citizen of any State would be liable in the *first* instance to the Federal tax on his income; *second*, to a State tax on the same income; *third*, to a tax on the property or business producing the income in virtue of its location and consequent territorial jurisdiction of the State. In some States—Massachusetts, for example—the State, in virtue of its jurisdiction over a person, taxes him also for property beyond its territorial jurisdiction, and subject to taxation in the State where it is an actuality. Doubtless such duplications in a greater or less degree will be inevitable in the case of all Federal taxation. But when so many sources are available to the National government for obtaining revenue, it would seem to be impolitic for it to encroach on those methods which are particularly applicable to the States: as income taxes; taxes on legacies and successions, which are governed and protected by State laws; and on franchises, which are almost exclusively granted by the States and rarely by the Federal government. Certainly there would seem to be no warrant, in either justice or expediency, in unnecessarily favoring such a system of multiple taxation, thereby increasing the real or fancied grievances of the people in respect to all taxation, and creating, by reason of a sense of injustice, additional temptations on the part of the taxpayer to fraud and evasion.

Again, all modern systems of income taxation have recognized the principle of discriminating in favor of persons in receipt of comparatively small incomes; and have provided as a fundamental feature of their policy that all incomes below a certain sum should be exempted from assessment. Such exemption, except in the case of the United States, has always been of a comparatively small amount. In Great Britain it is £150 ($750). In Germany, under the communal income tax, it is from $70 to $100; under the class, or State tax, about $600. In Austria it is $113; in Denmark, $215. As, in theory, all citizens ought to contribute *in proportion to their revenue* to the support of the government under which they have chosen to live, and to which they look for protection in respect to their persons and

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property, the exemption of any from an income tax can only be justified on the assumption of the non-receipt by the citizen of an income beyond what is necessary to defray the expenses of a moderate living. In truth, any exemption under a general income tax is in principle an act of charity on the part of the government. The authors of the proposed income tax now before Congress especially proclaim that the chief object sought by them in this measure is to transfer the burdens of the State from the shoulders of the poor to those of the rich. It is therefore interesting to note where they propose to draw the line in respect to charity, and as to the amount of property the possession or enjoyment of which, in their opinion, constitutes riches.

If we assume five per cent as about the present annual average profit on money, land, or other property in the United States over and above all charges and taxes, then an exemption of $4,000, in an assessment under an income tax, would represent an accumulation, or business, or profession, of the value of $80,000. If we take the rate at which the United States can borrow money,—namely, three per cent, —then an exemption of $4,000 would represent an accumulation of a citizen, invested in United States securities, of $133,333. And according to any fair interpretation of the action of the committee reporting a $4,000 exemption, a citizen who is worth less than $80,000 of ordinary property yielding income, or $133,000 of property invested in United States bonds, is a legitimate object for national charity; the above sums representing the dividing line in the United States between those who are entitled to be regarded as poor and those who are entitled to be considered rich. Such an assumption finds no precedent in fiscal history. Such an exemption is unwarranted favoritism to nine-tenths of the well-to-do people of the United States, who are abundantly able to pay any just proportion of the taxes which the government finds it necessary to impose for its support.

No man is a freeman whose industry and capital are subject to exaction, and from which his immediate competitors are entirely exempt. Equality of taxation of all persons and property brought into open competition under like circumstances is necessary to produce equality of condition for all, in all production, and in all the enjoyments of life, liberty, and property. And government, whatever name it may assume, is a despotism, and commits acts of flagrant spoliation, if it grants exemption or exacts a greater or less rate of tax from one man than from another man, on account of the one

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owning or having in his possession more or less of the same class of property which is subject to the tax. If it were proposed to levy a tax of two per cent on annual incomes below $4,000 in amount, and exempt all incomes above this sum, the unequal and discriminating character of the exemption would be at once apparent; and yet an income tax exempting all incomes below $4,000 is equally unjust and discriminating. In either case the exemption cannot be founded or defended on any sound principles of free constitutional government; and is simply a manifestation of tyrannical power, under whatever form of government it may be enforced. The great republican principle of equality before the law, and constitutional law itself, alike preclude any exemption of income derived from like property.

Finally, it is claimed that an income tax is a present necessity to meet an urgent (but probably a temporary) need of the government for more revenue; and that by no other method can such additional revenue be obtained more readily and conveniently. But for such claim there does not seem to be any good and sufficient warrant. No country has such available and comparatively untouched sources of revenue as the United States. It admits of demonstration that from the present rate of taxation on distilled spirits, and from a moderate increase of the taxes on fermented liquors and tobacco,—such as would not diminish consumption or create undue temptations for revenue evasions,—the Federal government can obtain a revenue sufficient to defray all its ordinary expenditures, including interest on all its debts, and have in addition a large annual surplus applicable for other purposes. If slight taxes in addition were imposed on the importation of sugar, or of sugar, tea, and coffee, no other taxes would need to be imposed by the Federal government. It is safe to assert that in all financial history no parallel can be found for such an exhibit of the finances of any nation. If such an opportunity could be presented to the Finance Minister or the tax-burdened people of any other nation, it would be embraced with great and universal exultation and rejoicing; and if the financial policy of the United States could be considered and regulated by legislation, apart from party politics, as such legislation is always considered and regulated in all other countries, there would hardly be a doubt that some such system of taxation as above indicated would be adopted. As it is, a system of class legislation, full of the spirit of communism, seems to find favor with the American people.

DAVID A. WELLS.

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AN INCOME TAX: REASONS IN ITS FAVOR.

A CHARGE has been made and reiterated that the income-tax bill is sectional in its nature, was passed by the House of Representatives from sectional motives by those who voted for it, and that the desire and purpose of its promoters was to place a penalty upon riches from a narrow spirit of envy and jealousy. That any member of Congress was induced to cast his vote for this measure upon any such ground, is, in my judgment, an unfounded charge. The motive that prompted my advocacy of the measure was its justness.

Should we be denounced as demagogues, advocating socialistic tendencies, simply because we ask that the wealth of this government should bear some of the burdens of taxation? I joined the Farmers' Alliance of my State and lectured in almost every county in it and through other States of the South and West; and during the entire time that I was President of the Missouri State Alliance I never made a speech in which I did not maintain that he who would array one class of citizens against another, and who would try to make laboring-men—agricultural or mechanical—a band of Ishmaelites, with its hand against the whole human race, and who would try to array labor against capital, and one section of our country against another, is a twin brother of the anarchist orator, a common enemy of mankind, and should be an outlaw in any community cursed by his presence.

I became a member of the Farmers' Alliance when its constitution declared that "nothing in it should ever conflict with a man's religious or political views," and have ever maintained that while a secret political society is a curse to any nation in which it exists, yet the education of the farming class in right economic principles, in the better management of their farm-property, rotation of crops, and matters of general public interest, is the best safeguard of our government against the encroachments of anarchy. I left it as soon as it became a political organization. When the Alliance declared in favor of the sub-treasury plan, of land loans, and of the governmental ownership of railways and telegraphs, I denounced these things as heresies, and called upon every farmer in the United States to array himself against them; and, amid the hisses and curses of the national

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organization, I declared that such doctrines and tenets would bankrupt our government and ruin our people. I have been charged by the Populist leaders, time and time again, through their papers all over the United States, as being a "confederate of Wall Street and a traitor to the Alliance," simply because I could not and would not be a party to demagogy.

I know furthermore that the members of Congress from the Western, the Southern, the Northwestern, or the Central States, who passed this bill, are a body of patriotic men, fully impressed with their responsibility; and I know that they, like myself, have had to contend with the Socialistic demagogue, have met him manfully and fearlessly, and have been a bulwark against his progress.

The wealthy classes of the Eastern States, who are now opposing us in the enactment of this bill, are embarrassing the best friends of a peaceful government. The principle that the wealth of this country should help to bear the burden of national taxation is too well settled by logic, by authority, and by experience, to justify extended argument now. Too often already have members of this Congress been warned that, whenever the richer class should be asked to share the burdens of government, they, prompted by avarice, would denounce the suggestion. It is their position, not mine, that needs defence.

In a recent speech in the House of Representatives, I said:

"Were I called upon to frame a law that would keep down demagogy, that would take the last grain of justice from the conglomerate mass of Populistic heresies, it would be an income-tax law."

I sincerely feel that every word I said was true. Under our tariff system its burdens are put upon consumption (the necessaries of life that the poor must have or perish), and a poor man with a wife and five children is forced to pay out of his small income a larger sum for the support of the government than is the average man of great wealth with a small family; for, as Adam Smith says:

"The private revenue of individuals arises ultimately from three different sources: rent, profits, and wages. Every tax must finally be paid from some one or other of those three different sources of revenue, or from all of them indifferently."

But since there are more wealthy men in the East than elsewhere in our country, the greater burdens of an income tax would fall on the East. Is this unfair? Does it justify raising the sectional question? Is it we of the West and South who raise it?

But the opponents of the measure are bound to admit that there

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is some justice in this income tax. All the greatest authorities on taxation say that the subjects of a nation should be taxed to support that nation according to their ability, *not* according to the section in which they live; recognizing that we should all be common bearers and common supporters of a common country, ignoring sectionalism.

I now ask my readers to divest themselves of prejudice and antagonism as far as their interests will permit, and dispassionately to read the following arguments and authorities in favor of an income tax, by some of the wisest and greatest men that have ever written upon questions of national taxation.

Senator John Sherman, in a speech delivered in the United States Senate, March 15, 1882, uses the following language:

"The public mind is not yet prepared to apply the key of a genuine revenue reform. A few years of further experience will convince the whole body of our people that a system of national taxes which rests the whole burden of taxation on consumption, and not one cent on property and income, is intrinsically unjust.

"While the expenses of the national government are largely caused by the protection of property, it is but right to call property to contribute to its payment. It will not do to say that each person consumes in proportion to his means. That is not true. Every one must see that the consumption of the rich does not bear the same relation to the consumption of the poor, as the income of the rich does to the wages of the poor. As wealth accumulates, this injustice in the fundamental basis of our system will be felt and forced upon the attention of Congress."

Adam Smith says:

"The subjects of every state ought to contribute toward the support of the government as nearly as possible in proportion to their respective abilities; that is, in proportion to the revenue which they respectively enjoy under the protection of the state. The expenses of government to the individuals of a great nation are like the expenses of management to the joint tenants of a great estate, who are all obliged to contribute in proportion to their respective interests in the estate. In the observation or neglect of this maxim consists what is called the equality or inequality of taxation."

That excellent French writer, Thiers, likens a tax paid by the citizen to his government, to the premium paid by the insured to an insurance company; and as one pays the underwriter premiums in proportion to the amount of property insured, so should the citizen pay taxes in proportion as he has property insured,—that is, protected and defended by the government.

Montesquieu, in his "Spirit of Laws," commenting on the Athenian system of taxation, says:

"At Athens the people were divided into four classes. Those who drew 500 measures of liquid or dried fruit from their estates paid a talent to the public; those who drew 300 measures paid half a talent; those who had 200 measures

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paid 10 minæ; those of the fourth class paid nothing at all. The tax was fair, though it was not proportionable: it did not follow the measure of people's property; it followed that of their wants. It was judged that every man had an equal share of what was necessary for nature; that whatsoever was necessary for nature ought not to be taxed; that to this succeeded the useful, which ought to be taxed, but less than the superfluous; and that the largeness of the taxes on what was superfluous prevented superfluity."

Thorold Rogers says: "Taxation in proportion to benefits received is sufficiently near the truth for the practical operations of government." Rousseau and the elder Mirabeau, J. B. Say and Garnier, have approved of this system; while Sismondi, in laying down his canons of taxation, declares that "every tax should fall on revenue, not on capital," and that "taxation should never touch what is necessary for the existence of the contributor." John Stuart Mill declares that "equality of taxation, as a maxim of politics, means equality of sacrifice"; while C. F. Bastable, Professor of Political Economy in Dublin University, in his able work on "Public Finance" (published in 1892) says:

"It is apparent that the rule of equality of sacrifice is but another mode of stating the rule of equality as to ability. Equal ability implies equal capacity for bearing sacrifice. An equal charge will impose equal sacrifice upon persons of equal 'faculty,' and where abilities are unequal a corresponding inequality in the amount of taxation will realize the aim of equality of sacrifice."

Among the many other able economic writers and national financiers who advocate an income tax, I will mention Richard T. Ely, Professor of Political Economy in Wisconsin University; and Prof. Robert Ellis Thompson, who says in his work on political economy:

"The most modern, and, theoretically, the fairest, form of taxation, is the income tax. It seems to make every one contribute to the wants of the State in proportion to the revenue he enjoys under its protection. While falling equally on all, it occasions no change in the distribution of capital or in the material direction of industry, and has no influence on prices. No other is so cheaply assessed or collected. No other brings home to the people so forcibly the fact that it is to their interest to insist upon a wise economy of the national revenue."

I advocated that the exemption should not be placed higher than $2,500, and am still inclined to think $4,000 too great; but, having been overruled by the Ways and Means Committee on this question, I am cordially in favor of this measure. This will certainly exempt enough for a man to support himself and his family.

I believe that the greatest safeguard against anarchy in this country is the great agricultural class. They have universally, in almost every meeting of the National Alliance, National Grange, and kindred associations of farmers, asked for the passage of an income-tax

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law,—not as a matter of spite, nor as a matter of sectionalism, but as one of justice and right; and I sincerely hope they will receive the assurance of a cheerful acquiescence by the richer class, that we may be enabled to form "a more perfect union, to establish justice, to ensure domestic tranquillity, and provide for a common defence" against the common enemy of all countries in which universal suffrage exists.

Those who think this tax cannot be collected are certainly ignorant of the fact that over 87 per cent of the income tax of England is collected in a similar manner. Let them read the bill carefully and impartially.

There is no one for whom I have a more thorough contempt than the alarmist and calamity-howler; yet I make the statement, from a rather large field of observation, that, if this income-tax bill is defeated, one will be passed in the near future that will be far wider-reaching, and involving far greater danger of injustice toward wealth. We men that have ever aimed to act as a balance-wheel will find ourselves powerless to check a less scrupulous element. The members of the Fifty-third Congress who passed this bill are the Girondists, standing firmly between the "Sansculottes" and (as the Socialists call them) the "Royalists," praying that God may grant that we may *all* unite to wipe out all semblance of sectionalism and strife, and present an unbroken front against the common enemies of our united and beloved Republic. If they could only put themselves in our places, and know the difficulties under which we labor and the alternatives which confront us, every wealthy man of the East would write his Senators to aid in the passage of this income-tax bill.

URIEL S. HALL.

For a few special publications on the subject of an income tax see: Senior's "Handbook of Income Tax Law and Practice" (1863). Mill's "Principles of Political Economy." "The Queen's Taxes," by John Noble, 1870. "Taxation; Past, Present, and Future," by W. J. Sargent: London, 1874. Reports of the Internal Revenue Department of the United States Treasury for 1863 to 1875 inclusive. Two reports by a Tax Commission to the legislature of New York, the first of which was republished by Harper & Bros., New York. An article in Spofford's American Almanac for 1878. A letter to the Secretary of the Treasury by Henry H. Smith, and published by the Treasury Department.

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RECENT RAILROAD FAILURES AND THEIR LESSONS.

SINCE the 1st of January, 1893, about one-sixth of the total mileage of the railways of the United States, representing a capitalization in bonds and stocks of about $1,750,000,000, has passed from the control of the proprietary interest into the hands of the courts, to be administered by receivers. This result has not been due to a long series of failures of crops, nor to diminished earning capacity of the railway companies themselves from the over-construction of new lines,—and hence the result of the factor of decreasing competitive rates,—nor to any such general public calamity to business enterprises as to make the misfortune to railway investments but part of a general disaster overtaking the country.

While there has been a severe and even serious depression in all departments of trade, to none has the result been so ruinous as to the railway enterprises of the United States. No sixth part of any one of the numerous commercial and industrial branches of the activity of the country has come to grief; nor, indeed, has anything akin to it occurred. Even during the great strain in the months of July, August, and September, 1893, commercial credits were, as a rule, maintained, and engagements, with rare exceptions, met, and this notwithstanding the fact that in large mercantile businesses bills fall due almost every week, and not, as in the case of railways, at long intervals, and on fixed interest-days, and the payment of which can, therefore, be provided for months in advance.

There must, therefore, be peculiar conditions with reference to railway enterprises which do not affect industrial and commercial investments, and which require special consideration.

A notable phenomenon is that, in the older and more settled districts of the United States, in which progress is slow, population increasing but slightly, and that indigenously, railway enterprises have not shared in the general collapse. With the exception of the New York and New England Railroad, there have been, in the New England States, no insolvencies or failures of railways to pay interest on funded debt. In the South more railway companies have become

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insolvent than anywhere else in this country; while in the Northwest and on the Pacific coast,—or, in other words, in those parts of the United States where, according to popular ideas, the greater attractions are offered to the immigrant for settlement, and where increasing values are supposed in time to lift up to a profitable basis investments which were injudicious when first made,—a larger amount of mileage of railways has been placed in the hands of receivers than elsewhere in the United States.

The shock to railway credit in 1893 has been more severe than it was in 1873; the mileage affected has been very much larger, and the decline of securities, as a whole, has been much more abrupt. Since 1873 it was supposed that a very great step in advance had been made by the creation of State and National railway commissions, many of which were organized in the expectation that if the government undertook the active supervision of freight charges, the prevention of discriminations, and the bringing to the light of publicity the financial administration of the most important business enterprises conducted in the United States, the evils of mismanagement, of over-capitalization, of the absorption of the revenues of these great corporations by parties who are temporarily in control, would become things of the past. All these devices and agencies have, however, proved unavailing to prevent the depreciation of securities and insolvency of these great carrying corporations; and we are at once confronted with the question whether there is not something inherently defective in the organization, administration, and capitalization of the great highways of this country, if so unlooked-for a series of failures can take place.

Railway managers and railway journals are quick to lay at the door of the Interstate Commerce Act a large part of the blame for this series of disasters. A leading railway lawyer of the city of New York is reported as saying that, in his opinion, these disasters are wholly due to the Interstate Commerce Law. Nothing can be farther from the facts. The slightest analysis must convince even those most prejudiced against the Interstate Commerce Law that neither at the door of the federal law enacted in 1887, nor at the door of the Commissioners in their administration of that law, can be laid the responsibility for the unfortunate results of 1893. Leaving verbiage aside, the Interstate Commerce Law is divisible into two parts. The first is, in substance, nothing more than a requirement that railway companies shall make reports to the Commission and file

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schedules of tariffs; that discriminations of an unjust character, as to individuals and places, shall cease, and that all railway companies shall treat all shippers under like circumstances upon the same basis. The strictest compliance with all these requirements, which, it may here be remarked, are made extremely difficult of enforcement, can do no injury to any railway corporation unless it be claimed that the profits of railways lie in doing injustice, in making discriminations, and in secrecy of rates and secrecy of accounts. The very statement of such a claim refutes the contention that any harm can come to the railways by the strictest compliance with these provisions of the Interstate Commerce Act.

The second part of the law, however, goes several steps farther; and here we enter upon debatable ground,—as to whether enforced compliance with such provisions of the act on the part of the railways is, or is not, beneficial to them. One of these is what is called the "long- and short-haul" clause, and the other the "anti-pooling" clause. The "long- and short-haul" clause prevents railways from charging for a shorter distance a greater sum than is charged for a longer distance, thus compelling them to give intermediate points the advantages of low rates to competitive points, unless, for reasons sufficient in the opinion of the Commission, the clause is suspended by the Commissioners in particular cases. The "anti-pooling" provision prohibits the pooling of earnings as a means of maintaining rates. The "long- and short-haul" clause can be and has been repeatedly suspended by the Commission, whenever a good ground is or has been shown therefor. Even the compulsory part of that clause has became almost wholly inoperative by the decision rendered two years ago by the United States Circuit Court in *Chicago and North-Western Railway Company* v. *Osborne*,[1] by which it is held that the meaning of the word "line," in the fourth section, is limited to one road; and that two connecting roads make a different instrumentality than a line; and that the word "line," as used in the act, does not refer to the physical route over which the transportation is conducted, but to the road of the special railway which is subject to the act. By that decision short-haul charges greater than rates over both the connecting lines to terminal points are held not to be obnoxious to the Interstate Commerce Law, inasmuch as the latter rates are made on an arbitrarily agreed line, and not on the physical structure of a single railway known as a line. This made the appli-

[1] 52 Fed. Rep. 912.

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cation of the law dependent upon agreements as to rates between different carriers; and, by such interpretation, undue preferences and undue discriminations, as to localities, were brought back into existence, on the theory that they arose on lines independent of the physical structure and under combined control. Since October, 1892, by the making simply of a joint tariff, an exception from the operation of the short- and long-haul clause of that large part of the railway traffic which goes on joint rates has under this decision been practically created.

In a decision made by Justice Jackson in the *Kentucky Bridge Company case*,[1] rendered at Louisville, Kentucky, in January, 1889, it was held that the Interstate Commerce Commission was not a court, and that its findings of facts are not the findings of a judicial tribunal; and that when it seeks to enforce its decrees through the instrumentality of the Circuit Courts of the United States, as provided by law, such courts must re-try each case so as to determine whether the order of the Commission sought to be enforced is a proper and lawful order. This decision makes proceedings, if they are to be carried forward to an enforcement of the decree of the Commission, so onerous and expensive that it has practically stripped the Commission of a very great part of its restraining power. The fear of its adverse judgments was removed, and (as that opinion has since been followed in other cases) the motive of voluntary compliance by railway companies with requests of shippers for fair treatment has been considerably weakened, practically reducing the Interstate Commerce Commission to a moot court, before which interesting transportation questions are debated, but which, although passing through the forms of a judicial determination, has no power to enforce any of its orders until the Circuit Court of the United States, after another trial, concurs with its conclusions.

The decision recently rendered in the Circuit Court of the United States sitting at Chicago, that Congress cannot constitutionally require the Federal courts to use their process to compel the giving of testimony before a non-judicial tribunal, following, in that particular, the decision in the Kentucky case, deprived the Commission of the authority of investigation and of compelling the production of books and papers, and thereby still further stripped the Interstate Commerce Commission of a large proportion of the power which was supposed to be entrusted to it.

[1] 37 Fed. Rep. 567.

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The only other element of the Interstate Commerce Commission Law, and of its administration, which might have been regarded as dangerous, is the one which prohibits pooling. Before and since the passage of the Interstate Commerce Law, a very considerable divergence of opinion existed as to whether the recognition of a railway pool by the law was a necessary condition to the maintenance of rates. Prior to the enactment of the Interstate Commerce Law it was a recognized fact among railways that pooling contracts were unlawful, and that the courts would not enforce them. The fifth section of the law prohibits pooling, thus declaring the common law as to the question of public policy; and provides for punishment for violation of this public policy, but does not prohibit an understanding between the managers of roads that their rate of charges shall be uniform to given points, and maintained thereat through the schedules and tariff rates, filed with the Commission and publicly announced. The difficulty is not with the law, but with the good faith and honesty of the railway officials. Experience has proved that, unless there is something stronger than a mere understanding in the shape of an actual pooling or forcible division of traffic, the rates would not be maintained. Whether this failure to maintain rates on what were called "gentlemen's agreements," prior to 1887, arose from the defects of railway organizations or of human nature as exhibited in railway officials, is a difficult and perhaps useless question; but true it is, that it was found that, without the compulsory intervention of a central controlling officer or commissioner, either physically distributing traffic among competing roads, or actually pooling the money received and dividing it according to fixed percentages, rates could not be maintained; and it is now claimed by the greater part of the official railway world, that either this crude form of control must be reintroduced, or that pooling agreements must be sanctioned by law, and their enforcement become the business of commissioners or courts. Inasmuch as pooling arrangements were not recognized by law before the existence of the Interstate Commerce Act, and the Interstate Commerce Act merely expressed the general state of the common law as it was prior thereto, surely the absence of such legal sanction of pooling cannot now be claimed to be the result of the Interstate Commerce Law. All that the Interstate Commerce Law does, in addition, is to forbid the formal agreement of pooling. The ingenuity of railway officials has been abundantly shown in evading the provisions of the Interstate Commerce Law whenever it suited

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their purposes to do so. If they would substitute a higher moral tone for that which is now prevailing in the freight offices of the various railway corporations, pooling would be unnecessary, because their mutual understanding, as exhibited in the freight rates filed with the Interstate Commerce Commission, would be, in effect, an arrangement as to such rates, without, it is true, the primitive compulsory force of an actual pool.

Long before the Interstate Commerce Act was put upon the statute book, the pooling agreements that had theretofore been made were unstable in character, were observed or not observed by the carriers, as suited their purposes, and were sooner or later dissolved by failure. The Interstate Commerce Commission has, itself, for several years last past, sought to secure amendments to the Act in the direction of greater liberality as to pooling, and it has, in opposition to a public opinion of a large section of the country, gone to the extent of recommending pooling agreements, subject, as to terms, to its supervision.

A Commission, therefore, consisting of reasonable and intelligent gentlemen who are not even clothed with the power of a court; who are without authority to make any arbitrary rulings, or of enforcing them by direct action if they should make them; whose investigating functions have, in large proportions, been nibbled away by the judicial interpretations of the last three years; whose decrees are disobeyed; whose mandates have in several instances been set at defiance; and who, since the enactment of the law, have, year by year, been deprived, by decisions in the Federal courts, of almost the whole of their controlling moral force,—cannot be held responsible: nor can the Act which it is their function to interpret and cause to be observed be held, in any but a very remote and to an almost inappreciable degree, responsible for the extraordinary calamity which has overtaken the railway enterprises of the country. We must therefore look elsewhere for a cause.

Many an entirely solvent tradesman and merchant was, during the three months of the stringency of the money market, when currency was scarcely obtainable at all, put to straits to pay his ordinary bills; he required no receiver or assignee to lift him over his difficulty; within a few weeks, if he was financially sound, affairs readjusted themselves, and, by the sacrifice of some of his surplus assets, he placed himself in a position to meet his liabilities, and had calmly to await the payment of liabilities due to him from persons less sol-

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vent than himself. A very small percentage of merchants went under. Not a single banking-house or financial institution of importance was compelled to close its doors. There were no surprises whatever. Such banks and financial institutions as were compelled to succumb, had been suspected long before, or were of little consequence.

The first explanation of the phase of the railway problem presented by the events of 1893 lies in the fact that the railways have outgrown the ability of the community to furnish men of the high moral and intellectual order necessary for their proper administration. Railway building had proceeded with such rapidity that the problem to be solved was very much like that which confronted the United States when, in 1861, it was called upon suddenly to officer a huge army. The patriotism and volume of the population supplied the army with men. The difficulty was how, effectively, to lead them. And disaster after disaster befell our arms because the men of the North were not so militant in their education as the men of the South, and because for several years, and until the war itself developed them, there were not enough competent leaders to handle the men effectively. Most railway presidents and chairmen of boards come from the ranks of other professions, or from branches of employment in the railway the business of which is wholly foreign to the financial administration of the road. The capacity, industry, and knowledge required for the successful handling of the budgets of railway properties which have a gross income ranging from $12,000,000 to $40,000,000 is as great as that required for the balancing of a nation's expenditures and receipts. The aggregate annual income of the railways of the United States is close upon $1,250,000,000; operating expenses vary from 64 to 80 per cent of the income; and upon the relative proportion of one to the other of these factors success or failure depends. That proportion is determined mainly by business and physical conditions, but also to a considerable degree by the capacity of the railway managers. Of the $1,250,000,000, only between $250,000,000 and $350,000,000 are annually available for the payment of interest on bonds and dividends on stock. Whether the net earnings will suffice to meet the fixed charges, not to speak of dividends upon stock, is largely dependent (assuming honesty, of course, as a primary requisite) upon a profound knowledge of the internal administration of the railway, and the development of its earning power, and also, to a great degree,

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upon a prevision, akin to genius, of the condition of markets and crops, and of the general financial situation.

But where are all these gifted railway financiers to come from—ready made, Minerva-like, competent to administer the 175,000 miles of rail of the United States, and effectively and economically to handle the 800,000 men directly employed, and the 3,000,000 of people indirectly supported by the transportation companies of these United States? Independently of the almost impossible task of finding, in sufficient quantity, the extraordinary capacities for the proper financial management of so vast and so rapid an industrial growth as the railway interest, there are certain obvious and radical defects of organization of railways which expose it to special danger, and which cause the railway enterprise to founder in very slight financial storms, through which other and smaller industrial enterprises float with safety. According to the "Financial Chronicle" of January 13, 1894, the total gross earnings of but 183 roads of the United States for 1893 (of which 59 are computed for 11 months only), representing a total mileage of 141,839 miles, was $936,237,955, as against $961,407,915 in 1892—a difference of but $25,169,960, or less than three per cent deficit in gross earnings, in the great calamity year of 1893, as compared with the normal year of 1892! Certainly a startling statement. Conceding, in all fairness, that the companies that were driven into the hands of receivers show a greater average of loss, yet nowhere is any such percentage of loss shown as would account for their insolvency were the railroads conducted upon any safe and sound business principles.

With some very few exceptions, which it were invidious to name, but which all in the railway world know as such exceptions, the railway corporations of the United States literally live from hand to mouth, and have no working or reserve capital whatever, although their business requires it more than any other. The railways are capitalized for much more than they are worth. Usually the bonded indebtedness of the line, car-trust certificates, equipment and terminal securities, taken at par, represent a value in excess of the cost of the road, and upon them fixed interest is compulsorily payable. Hence, whatever the road earns upon actual cost must, unless it exceed say six per cent, be paid out annually in the shape of interest alone. As interest runs on the bonds long before the completion, and during the construction, of the road, a part of the bonds are issued to cover pay-

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ments of interest; in other words, a principal indebtedness is created to provide interest during construction, and thus the sum total of funded debt is increased at the outset, representing an expenditure which never can figure as an asset. When the railway is completed, its earning capacity, for better or for worse, as compared with expectation, begins. Usually there is no surplus to make good the depreciation in the value of the instruments of production, the necessity for the replacement of which is, from the start, an important factor of vanishing capital in every modern industrial enterprise. No manufacturer is a conservative business man who does not annually write off at least about ten per cent of capitalization for depreciation of plant, and who does not provide a corresponding fund to replace old machinery with new, and existing devices with new inventions, so as to keep pace, in a constantly progressive community, with its march of improvement and invention. If he fails to do this, and keeps in his capital account, on which he must pay interest, amounts representing machines which have gone to the scrap-heap, the first financial storm must topple him over.

A railway, from the moment it is opened, must re-begin its process of construction, and, indeed, physically rebuild its road as its traffic develops. The road must be ballasted, the ties replaced, the alignment straightened, the rails substituted by heavier ones of steel instead of iron, the rolling-stock replaced by cars of larger capacity, so that the proportion of dead weight to live or earning weight shall be decreased; the engines become heavier almost annually; and the bridges which were adequate to bear the strain of a locomotive and twenty cars of ten tons capacity each, are wholly inadequate for the modern freight engine, hauling thirty to forty cars, each with a carrying capacity of from twenty to thirty tons, and must be replaced with steel bridges of many times the strength and cost of the original makeshift contrivances.

The original bonded indebtedness, representing ties that have rotted, rails that have been sold, cars that have been broken up, bridges and engines that have disappeared, remains a charge upon the road in the shape of bonds bearing interest. For all additional capital invested, new equipment bonds are created or other obligations issued, and finally a floating debt is incurred. All these again bear interest, until the large total represents, not what the road is worth as it stands, but the whole capital which from first to last went into it, much of which has wholly disappeared, and some of which has been stolen,

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and therefore has no interest-earning capacity. Nothing is written off from the capital account, and no substantial part of the earnings is set aside for replacement. When any of the earnings are used for that purpose, the items are smuggled into the expense or operating account, and there is then a constant apprehension by the management that it is doing something wrong. It is in fear of the stockholders, who are clamorous for dividends, and who become angry when the road is improved for further development at their expense, instead of the whole of its proceeds, after meeting fixed charges, being divided among them. The granger legislator imagines that this over-capitalization injures the community which the railway serves. He does not know that the people through whose lands the railway passes are only remotely interested, if at all, in the financial administration of the properties, but are directly interested in the freight charges only, and that the capital account of a railway company has as little relation to the freight charges as it has to the changes of the moon. Such charges are governed by laws wholly disassociated from the financial business of the railways. To elaborate and explain this fact is, however, foreign to the purposes and limits of this article.

All this vicious financing produces the result that large floating debts are constantly accumulating, and the shock of a single bad year, affecting either income or credit, produces insolvency; and then the fact is at once apparent that, except in the older parts of the railway system of the United States, there is, between the creditor and the railway, no buffer in the way of a reserve fund or of a stockholding interest, representing actual money investment in the stock, to take up the shock of this disappointment in receipts or credit. The only analogy to such a state of things is to be found in that portion of the house-building trade in the larger cities of the Union, which relies, in its operations, upon what are known as "builder's loans." The proportion of capital that such builders have in the houses they construct, as compared with the amounts they borrow, on mortgage and builder's loans, is so small that a single season of stagnation in sales and sagging of values sweeps away their small percentage of capital, and puts their properties under foreclosure. The greed for dividends on the part of the stockholders of railways, and the consciousness of the directors that their places are largely dependent upon satisfying this greed, is in part responsible for this result; and in this demand there are none more exacting than the foreign holders of American railway

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securities. They have but one measure of judging the success of the enterprise, and that is the immediate return of interest on their investment; and to that end, and the consequent advantage of a ready market for the securities they hold, the permanent safety of the enterprises in which they are engaged is too frequently sacrificed.

A most serious consequence of this absence of all reserve capital in the treasuries of American railways lies in the fact that a railway, unlike all successful merchants or manufacturers, can never avail itself of a cheap market for labor or supplies, but must always buy when everything is inflated, because then only can they float their bonds and borrow capital; and they must suspend all constructing and improving operations along the line when labor and material are depressed, and therefore cheap. A conservative merchant or manufacturer with ample capital lays in his stock, extends his factory, and improves his machinery when the market allows him advantageously to do so; and sells that stock, and earns large interest on the capital thus advantageously invested, when the tide turns, and prosperous and inflated times succeed the periods of depression. The hand-to-mouth railway enterprises must do the very opposite of this. They stop when they should develop; they expand and pay dearest on the crest of the wave which is just about to break.

The railway is also under compulsory conditions to incur steadily increasing expenditures to accommodate the public. The political communities of the United States are constantly enacting statutes which require a large surplus fund if the finances of the railway are not to be stranded. The requirement to fence is almost archaic compared with the rights assumed by the modern legislators to dispose of the earnings of railways. They must connect their freight trains with patent couplers; they must reconstruct their lines to avoid crossing at grade; they must abolish the stove, and heat with steam, and attend to numberless other requirements which humanity and safety may demand, but which in their result add to the difficulty of earning interest on existing capitalization; and then comes the constant and ever-present pressure for lower freight rates, as an additional difficulty in the capacity to earn interest. To all this is added the irritating and annoying result of arbitrary rules of State commissions still further to diminish the very considerably reduced revenues of the railway corporations, as another cause of their financial failure.

The Granger or the Populist imagines that he is rendering a service to his community if he can succeed in compelling a railway to

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carry produce from a farm to a centre of distribution, at some lower figure. If, in doing so, he produces the insolvency of a corporation, he repels future railway investments in the State, and, ultimately, gives to the few lines which run through it a monopoly of such service. Of course, investors will abstain from putting their money into enterprises which are subject to arbitrary interferences. It is not only in the regulation of rates that Western and Southern States have sinned so inconsiderately; it is also in the vexatious regulations of a restrictive character with which they have encumbered their statute-books, such as the numerous requirements as to the keeping of general offices within the State, by which they have complicated the financial administration and increased the expenses of railway corporations. A railway corporation running through four States may be, and frequently is, by a statute of each State, required to keep general offices in each State. This involves quadrupling its effective force. Such statutes are, in large part, obnoxious to the Federal Constitution, but they are enacted and enforced by the State authorities, and insisted upon by the Granger and Populist voters, in the vain expectation that the State will reap some benefit by having certain railway officials reside within the State instead of beyond it. Every such additional burden that is put upon the railway company must ultimately be borne by the people who use the railway. It has, therefore, like all protective policies, its debit side to account for, which fact is usually lost sight of by the crude legislators of the West.

The wrongs that have been committed in the history of the earlier railway enterprises of the United States, of having a large number of fast freight lines and all sorts of other organizations fastened upon them, for the benefit of the railway officials, to deplete and exhaust their treasuries, are matters largely of the past; but enough of these evils still exist, in the shape of palace and drawing-room car companies, terminal companies, etc., to cause that kind of sin in railway administration to be not yet considered as wholly of a bygone age. Persons interested in railway management are not yet above the purchasing of railway properties out of their individual pockets at one price and transferring them to the railway with which they are connected, at another and wholly different and much larger price. Such an offence can be reached ultimately only by the penal law; and when a sufficient step in advance shall have been made in the progress of civilization in the United States, it will

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be regarded with wonder that crimes of this character, by which one man's property is taken by another, without right or color of right, under the form of corporate trusts, were permitted to go unwhipped of criminal justice.

There is perpetual danger to the investor, and an overwhelming temptation to the railway administrator, in the fact of entire irresponsibility of railway accounts. Unless some system is devised by which public accountants shall certify balance sheets, and their absolute and unconditional rendition to the stockholding interest at least once a year—and, indeed, for reasonable safety, it should be twice a year—railway accounts, by the legerdemain of the accounting and auditing departments, will, for years, contain the germs of disaster without the knowledge of the proprietary interest. A new profession of railway accountants, wholly independent, officially, of any railway system, must be developed before entire frankness and absolute truthfulness can be secured as between the owners, the public, and the administrators of railway property.

The manner in which proxies are solicited and obtained for the continuance of a Board of Directors in power leaves, also, much to be regulated by practice, if not by law. As the result of an earnest and persistent endeavor on the part of the writer, and as one of the beneficial effects of the Hepburn railway investigation of 1879, in the State of New York, a statute was passed in 1880 to prevent the nominal owner of stocks, whose name appeared upon the stock registry of railways, but who had parted with his interest, from using such fictitious, nominal title to property to control railway properties to the detriment of the real owners; but this beneficial statute has, by subsequent amendment, and at the dictation of sinister interests, been made almost wholly inoperative, if not entirely nullified. A more stringent enactment should be insisted upon.

Another evil of railway administration in the United States lies in the courts themselves, in creating railway receiverships.

A railway official, in consequence of his incapacity or misfortune, or as the victim of a vicious system (it does not much matter which), brings a railway into bankruptcy. He then—supported often by the trustee of the mortgage—is appointed receiver by the courts, on the application either of the company or of the complacent trustee or of an equally complacent creditor, and, in his capacity as receiver, continues to earn probably a larger salary than he did as president. The only excuse for such an appointment is that such

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an officer has the requisite knowledge of details necessary for the continued administration of the property. This evil is a monstrous one. When a great property like a railway gets into financial difficulties, there should be no haste in the appointment of a permanent receiver; and, in any event, the executive officer, in whose hands the company defaulted, and whose administration should be most rigidly inquired into by the courts, should be the last person to be appointed in that capacity.

In recent years individual trustees of railway mortgages have been substituted by trust companies. The advantage lies in continuous trusteeships, and the large pecuniary responsibility of the trustee. The disadvantage of this substitution lies in the fact that the trustee has no personal sense of responsibility, and no personal character for zeal and discretion to maintain, toward his *cestuis que trustent*, the bondholders. The business interests of the trustee lie, generally, in the direction of the railway company which employs it as such (and that means, of the administrators of such companies), and not in the direction of the scattered bondholders. They are therefore too often the ready instruments of the men whose reckless and wanton administration of the railway has brought the company to ruin and injured the monetary interests of the *cestuis que trustent* of the trustee; the true interests of which are but too often sacrificed by the trustee, so as not to offend the concentrated power whence their profitable business is derived. Thus the scattered bondholders are often but poorly represented and are at times even misrepresented by the very instrumentality which should be their most zealous protector. This needs radical reformation, the explanation of the steps necessary for the accomplishment of which would far transcend the limits of a review article.

The trust companies themselves, in their capacity as trustees of bondholders, cannot, therefore, be safely followed by the courts with reference to their suggestions as to a receiver, because, as shown, they have special, and sometimes sinister and oftentimes conflicting, interests, and are administered by persons in sympathy with the railway officials, through whose favor and suggestions their profitable trusteeships arise. Who has ever heard of any one of these trust companies calling the bondholders together to prevent dishonesty, waste, and mismanagement, before their results in the shape of a default of interest was upon them?

In case of insolvency the bondholders themselves should be promptly convened; their voices should be heard as to who shall

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thenceforward administer the property, which has been brought to ruin by an interest in antagonism to their own. The enormous expenses and emoluments incident to receiverships are in themselves a strong incentive to the courts for their creation. A motion upon the slightest evidence will throw six thousand miles of road into the hands of a receiver, without notice to the stockholding or bondholding interest before the act is accomplished. The excuse is that it is done to prevent the disruption of the property by executions, but surely a temporary receivership would answer that purpose. The true reason is that the machinery of the administration of justice is kept busy and compensated by the vast expenditures of these receiverships, and a huge amount of patronage falls into the hands of the bench by reason thereof; and although doubtless all this is free from any pecuniary corruption in so far as the judges themselves are concerned, the exercise of patronage on so vast a scale, on the part of the courts, is in itself most dangerous, and in its ultimate effect must exercise a corrupting influence.

A law should be passed by the Congress of the United States, and by the various States, for the purpose of checking this vastly growing evil. Some six or eight years ago, the various State railway commissions commenced holding annual joint meetings at Washington, and I believe, although I have not followed closely the various sessions, that some five or six of such meetings have probably taken place. It is very much to be regretted that no evidence of that activity has found its way into the statute-books of the various States. No careful analysis of the evils connected with railway administration seems to have been made by these joint meetings of State commissioners; at all events, whether made or not, no practical result in the way of remedial legislation has been put upon the statute-books by reason thereof. I must here revert to a thought which was expressed by me in an article on "Railway Reorganization," published in a former number of THE FORUM.[1] Subsequent reflection has strengthened the views therein expressed, and recent experience has still further convinced me of their soundness. Receiverships and the rewards of receiverships would not exist if railway bonds were here, as in England, debentures only—liens upon income, and not upon the *corpus* of the line, and therefore, in the American sense, not foreclosable. The moment that the railway bond becomes a mere debenture and ceases to be foreclosable, and is a lien upon

[1] Volume X, p. 37, September, 1890.

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income only, a self-regulative method should take the place of the intervention of committees and receivers, and minimize the necessity for judicial interference. There should be, as I then recommended, a progressive devolution of the control of the property from the stock to the junior liens, and from the junior liens to first liens, dependent, in every case, upon the degree of insolvency of the railway; so that, when there is default in the payment of the interest on a junior mortgage, the stock should lose its right to manage the property, and the holders of such junior mortgage should come into possession, with a voting power resting upon them, upon the condition that they pay interest upon all prior liens, and should hold control until interest is earned upon its own lien, when it should revert to the stockholder. The objection that, under those circumstances, the devolution of control may be found difficult to revert through successive junior liens back again to the stock, for the reason that the first-mortgage bondholders will be loth to surrender control after once getting possession, is answered by the fact that the pressure to earn interest upon the bonds represented by the board of directors will be stronger than the desire to keep control, and, when the interest is earned and paid, the devolution takes place of itself. In addition to this, there will also be a constant pressure exercised by the junior lienors and stockholders to call to account and put an end to the management of prior lienors, so as to reassert, as rapidly as possible, their right of control, and thereby again obtain some reasonable market value for their junior liens and stock. All this might be easily regulated by a law simple in character and self-enforceable.

Some system should be devised, also, for minority representation in boards of direction of railways. I am fully alive to every objection which may be urged against it. Assuming that a board of direction is composed of fifteen men, to give to each one-fifteenth of the capital stock, or—what might be still better—to give to each one-tenth of its capital stock and one-fifth of its bonded indebtedness, a single director, is open to the objection that it prevents unital control, and interferes with the great executive facility arising from the present despotic character of the organization. This objection has some force. However, the evils that can arise from the more strictly representative character of the management are as nothing compared with the evils from which we now suffer, of entire secrecy of management and entire absence of direct responsibility. The control of almost every railway corporation of the United States is in the

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hands of a minority of those interested in the good management of the railway, and the distributed stockholding interest is compelled to follow, or, at all events, the existent stockholding interest is prevented from combining and making itself effective. This is a great evil. Many of the wrongs which are now perpetrated by reason of every man on the board of direction being in the same interest, or mere dummy directors, would be wholly impossible if every responsible section of interest, or ownership, could, without a "thank you," send its due proportional representative interest into the management. This, of course, could be accomplished by one of the many forms of minority representation, of which the cumulative plan is perhaps the simplest to explain, although rather wasteful of votes. This method would give to each stockholder—or bondholder as the case may be and as the law may provide—as many votes as there are directors to be elected, which may be cumulated upon one, or distributed among many, as he may see fit, and those of the persons having the largest number of votes of the number to be elected shall be declared to be chosen. This—assuming that there are fifteen directors to be elected—will give the one-fifteenth part of the voting constituency the power to elect one director. Of course, the directors, when elected, would have to act through a majority of their number in electing their president, and in performing every other corporate act. The minority principle would have to stop with the election of directors. The inestimable benefit that would arise from this system is that there would be a perpetual independent watch, internally exercised, on the part of the active stockholding interest (and bondholding interest, if the bondholding interest were permitted to vote), upon the acts of the executive; and at all events, if disaster is to come, it would be foreseen, and even if not preventible it would fail to produce the calamitous results which now so suddenly overtake the railway investor.

Much has been said and written by the Western Granger about the capitalization of railways, and the fact that the stock does not represent any original investment. All his legislation and all his tirades against this system will be unavailing so long as the financial conditions continue, in the future as in the more recent past, in reference to railway investments. The early railways were built, both in England and in America, by actual investment in stock, and the mortgage indebtednesses arose subsequently, when additional sums of money were required to develop the properties. Under such a

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system as that, the Hudson River Railroad was some ten years in building, and the roads which ultimately became the New York Central Railroad were some fifteen years in building. All this has been changed by the modern system of finance. Investors in railways nowadays no longer desire to be participants in the enterprise, as though they were partners, dependent upon its success for their profits, and losing their money in the event of failure. They want to be investing creditors, with a certain rate of interest payable semi-annually, and are willing to forego the chances of large returns for capital investments, for the certainty of return of principal and interest. They have, therefore, placed their investments in the shape of bonds, and it is perfectly understood in the money markets of the world that the bonds will build the railway and represent its cost of construction. The *entrepreneurs* and speculators who undertake the construction of the line find their profit in the division of the stock. It may or may not prove a profitable investment, dependent upon the rapidity with which the Granger overtakes the railways as to rates, or the rapidity with which rival lines may be constructed, or the rapidity with which a receivership may follow the opening of the enterprise. At all events, it is the only profit that is left to them. There is no feeling of security to the stockholder in American railways, that, when the country has grown up to the enterprise, he may for a time enjoy the advantages of his foresight, and the stock become a real dividend-paying security, since he has no field secured to him as in European countries. The stock of American railways is, in many instances, a mere piece of paper which has some value for the purposes of control, and a speculative value upon the stock exchanges for mere gambling purposes. The real value lies in the bonds, and, of course, much of that value depends upon whether the railway has been honestly constructed and wisely planned.

This system, bad as it is, has the advantage of an extraordinarily rapid construction of the railway itself, so that whatever there is of it gets to its earning capacity at the earliest possible moment. The bonds are sold as a whole to a syndicate, at anything ranging from two-thirds to seven-eighths of the par. The money is furnished forthwith, the road is built as fast as money and men can do it, and completed sometimes before even the original purchasers of the bonds have been able to re-sell them to the public.

Of course, under those circumstances, railway enterprises are peculiarly liable to the misadventure of not paying their interest on

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such bonded indebtedness. There is no capital invested in it except the money represented by the bonds, and the par of the bonds is almost always in excess of the actual money which has been yielded; so that any bad year which fails to pay profits in ordinary businesses, and therefore fails to pay profits in the case of railway enterprises, strikes, in the very first instance, the railway bonds themselves, because there is no stock investment which must suffer before the railway bond is called upon in its turn to suffer. It would take us too far afield to suggest the remedies for this evil. It is rather an evil of general finance than one of special and local habitation in the United States.

Finally, for the proper financial resuscitation of the railway system of the country after the calamitous events of 1893, and to prevent its recurrence, I believe that a uniform and conservative system of railway legislation, simultaneously enacted by the States of the Union, and strengthened by federal legislation, is imperatively necessary. The trustee relation of the majority of the stockholders toward the minority should be recognized and enforced. The minority should, in proportion to their strength, perpetually have a voice in the management; the crude confiscatory and communistic legislation of the Southern and Western States, on these subjects, should give way to scientific and conservative measures. Railways should be secured a field of operations, until public necessities require the construction of additional lines, and in that field held to a strict public accountability so as to prevent oppression; reasonable facilities should be afforded for the development of a fund to meet the public requirements for additional safety and accommodation to railway servants and the public. The trustee character of directors and administrators should be insisted upon, and breaches of such trust severely punished. Pooling should be permitted under the control and supervision of a public body like the National Railway Commission, and the evils of receiverships and the waste of reorganizations limited, if not wholly prevented; an official accounting should be provided for, and some safeguards found against the secret accumulation of floating debt. These reforms cannot be accomplished without work and sacrifice, without which, however, no good things in this world are accomplished.

An enterprise in which there is an investment (as it stands upon the books of the railway companies of the United States) of something like $11,000,000,000 is one of such vast importance, and (con-

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sidering the sources of the supply of this money) of such an international character, that the people of the United States must be content to have their honesty and capacity gauged by the success with which such an institution is administered. The work must be done, and the sacrifices of temporary individual interest made, until there is found a sound financial basis for this the most important form of the investments of the accretions of national and, to a considerable extent, foreign wealth.

Considering the vast resources of the country, the energy of its people, and the absence of conditions of apprehension of foreign aggression; which in the withdrawal from the field, factory, and counting-room of a great part of the male population and their cost of maintenance in armies so deplete and reduce the wealth and developing power of other nations, capital should, in the United States, find its safest and most profitable lodgment. If it fails to do so, the fault lies with the people to whom such capital is entrusted, and with their methods of administration, and cannot be laid at the door of inevitable adverse conditions.

SIMON STERNE.

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THE DUTY OF EDUCATED MEN IN A DEMOCRACY.

PERHAPS I ought not to say it, but college graduates are not, as a rule, remarkable for the amount of knowledge, properly so called, which they bring away from the universities. Everything they learn there in the way of languages or of science makes a comparatively small impression on the great mass of them. The great use of the college course is the formation of the habit of attention and study at the age when mental and other habits are most easily formed. But a college education has a perceptible general effect on the intellectual outlook. Its most marked effect on men in relation to their duties to the community at large is in raising their standards. Their notions of how things ought to be done are changed. They expect a good deal more in the character and attainments of public men, and in the order of public business. The municipal government, for instance, which the educated men would set up, if they had their way, would be something considerably different from any municipal government now in existence. Congress and the State legislatures, too, would be, if the suffrage were confined to college graduates, composed of another class of men from that which now fills them. A very large portion of our present legislation would never be enacted, and the probabilities are that the ceremonial side of the government would be much enlarged. I remember that two or three years ago President Eliot wrote in THE FORUM[1] pointing out that our municipal government would never be what it ought to be until all our city officials had received a special training for their work, and he mentioned the various kinds of training which they needed. Now this was distinctly the college graduate's view of the matter. The popular mind was not then occupied with the need or the difficulty of getting trained men for such work. It would have been satisfied with men of ordinary honesty. The notion that trained men were a possibility probably never occurred to the bulk of the citizens.

We should probably, in a college-graduate government, witness the disappearance from legislation of nearly all acts and resolutions

[1] Vol. XII, p. 153, Ocotober, 1891.

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which are passed for what is called "politics"; that is, for the purpose of pleasing certain bodies of voters, without any reference to their real value as contributions to the work of government. This would of course effect a very great reduction in the size of the annual statute-book. For, to the mind of the ordinary legislator of to-day, the duty of pleasing the voters is even more obligatory than the duty of furnishing him with good government. In this duty of pleasing the voters there is no question that a college education as a rule unfits a man. He cannot discharge it without a fight with his ideals formed at a susceptible age. James Russell Lowell furnishes an illustration of my meaning. He was unquestionably as patriotic an American as ever lived, and a thorough democrat. Democracy has never received so fine a tribute as he paid to it in Birmingham. But somehow, as an educated man, he was out of tune with the multitude. The West never quite took to him. The "New York Tribune" denied him the right to be considered "a good American." Senator Sherman and other Republicans wrote "Ichabod" on him when he supported Mr. Cleveland. The cause of all this really was that his political standards differed from theirs. He lived in an earlier republic of the mind, in which the legislation was done by first-class men, whom the people elected and followed. In a republic in which the multitude told the legislators what to do, he never really was at home.

This brings me to the question, what is really the attitude of educated men toward universal suffrage to-day. As a general rule I think they really mistrust or regret it, but accept it as the inevitable. Probably no system of government was ever so easy to attack and ridicule, but no government has ever come upon the world, from which there seemed so little prospect of escape. It has, in spite of its imperfections and oddities, something of the majesty of doom, and nobody now pretends that any people can avoid it. There has been, however, a notable change within forty years, in the opinion of the educated class, as to its value, owing to its numerous mistakes; but, curiously enough, these mistakes seem often to be due to the difficulty experienced in finding out what its mind is. Its mass in countries in which it exists is so large, that the process of interrogating it is one of extraordinary difficulty even for the most expert. Politicians, of all varieties, think they know what the people think upon any given question of the day, but most of them are always wrong. There could not be a better illustration of this than the mistake made by Senator Hill, Governor Flower, and other politicians

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in this State about Maynard's nomination. They had the deepest interest in knowing what the popular judgment on this nomination would be, but fell into an immense error about it. This difficulty is not likely to decrease, and is likely to produce a great many legislative follies; because, unhappily, it seems to be the way of most politicians in all countries, when puzzled or uncertain about the drift of public sentiment, to choose the course which seems the least wise or most childish,—meaning, by that, the course which seems to promise most immediate gratification, or to display most indifference to remoter results. One consequence of this is that universal suffrage has taken the blame of a great many mistakes for which it is not responsible, and which have come to pass simply owing to want of skill in questioning it on the part of law-makers. But after all allowances and excuses have been made, its errors are sure to be frequent and on a considerable scale. We may expect, for instance, such mistakes as our silver policy, with increasing frequency, because the politics of the world are becoming more and more a controversy between rich and poor. The influential and the rich man are taking the place of the feudal baron and the absolute monarch as objects of popular attack, and moderate physical comforts for all, or a "living wage," have taken the place of political liberty. But the rich man cannot and will not be openly robbed. He runs no risk of having his head cut off, or his property confiscated. He will probably be got at through experiments in taxation, or in currency, which unfortunately rarely reach the precise objects at which they are aimed, and sooner or later, like the silver purchases, involve the whole community in great distress.

The idea that *distribution* must be, in some manner, reformed is taking greater and greater hold of the world, and the popular mind is so much impressed with what seems to be the injustice of the present system, that hardly any attention is paid to the size of the earth's dividend. And yet, to divide among the people of every country all the accumulated wealth there is in it, or to divide among them the annual yield of its land and labor, is one of the simplest of arithmetical problems. In no case would any such dividend make any material change in the condition of the great bulk of the population. There is no deduction from the operation of nature more certain than that the earth is not meant to afford much more than a fair subsistence to the dwellers on it. The mass of mankind have been poor from the earliest ages, simply because they multiply close up to

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the provision which the earth normally makes for them. They have always done so, and probably will always do so, in every country. It is true that their condition has improved since the introduction of steam into the work of production; but their content has not increased, and the contrast between their mode of life and that of the very rich remains about the same. There is no wider interval now between the house of the modern rich man, and the laborer's cottage, than there was between the castle and the hut of the Middle Ages. If all that needed to be done to make everybody comfortable and contented was to pull down the rich man's palace, and decree that no more should be built, the problem of modern politics would be easy. But the truth is that there is no cure for the evils of our present condition but a great increase in the produce of the earth, without any corresponding increase in population, and without any abatement in the industry, enterprise, and energy of the existing workers. When we think of the enormous resources of the globe which are still untouched, we are apt to forget that, in order to get at them, we have to go on breeding an increased number of men and women, who will keep alive, generation after generation, the old story of unequal and unjust distribution.

But to divide the earth's products equally, or anywhere near equally, among the people, would be to ignore the claims of superior talent, industry, or frugality upon the larger share, or, in other words, to ignore differences of character. I think most educated men will agree that in the long run our civilization could not stand this. All progress has been made hitherto on the competitive principle, which means giving the prize to the best man; and we can hardly conceive of its being made in any other way. To prescribe that no one shall do better than any one else is to reproduce China.

Now, in the presence of all this, the rôle of the educated man is really a very difficult one. No intelligent man can or ought to ignore the part which hope of better things plays in our present social system. It has largely, among the working classes, taken the place of religious belief. They have brought their heaven down to earth; and are literally looking forward to a sort of New Jerusalem, in which all the comforts and many of the luxuries of life will be within easy reach of all. The great success of Utopian works like Bellamy's shows the hold which these ideas have taken of the popular mind. The world has to have a religion of some kind, and the hope of better food and clothing, more leisure and a greater variety of amuse-

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ments, has become the religion of the working classes. Hope makes them peaceful, industrious, and resigned under present suffering. A Frenchman saw a ragged pauper spend his last few cents on a lottery ticket, and asked him how he could commit such a folly. "In order to have something to hope for," he said. And from this point of view the outlay was undoubtedly excusable. It is literally hope which makes the world go round, and one of the hardest things an educated man who opens his mouth about public affairs has to do, is to say one word or anything to dampen or destroy it. Yet his highest duty is to speak the truth.

Luckily there is one truth which can always be spoken without offence, and that is that on the whole the race advances through the increase of intelligence and the improvement of character, and has not advanced in any other way. The great amelioration in the condition of the working classes in Europe within this century, including the increasing power of the trades-unions, is the result not of any increase of benevolence in the upper classes, but of the growth of knowledge and self-reliance and foresight among the working classes themselves. The changes in legislation which have improved their condition are changes which they have demanded. When a workingman becomes a capitalist, and raises himself in any way above his early condition, it is rarely the result of miracle or accident. It is due to his superior intelligence and thrift. Nothing, on the whole, can be more delusive than official and other inquiries into the labor problem, through commissions and legislative committees. They all assume that there is some secret in the relations of labor and capital which can be found out by taking testimony. But they never find anything out. Their reports during the last fifty years would make a small library, but they never tell us anything new. They are meant to pacify and amuse the laborer,—and they do so; but to their constant failure to do anything more we owe some of the Socialist movement. The Socialists believe this failure due to want of will, and that Karl Marx has discovered the great truth of the situation, which is, that labor is entitled to the whole product. The great law which nature seems to have prescribed for the government of the world, and the only law of human society which we are able to extract from history, is that the more intelligent and thoughtful of the race shall inherit the earth and have the best time, and that all others shall find life on the whole dull and unprofitable. Socialism is an attempt to contravene this

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law, and ensure a good time to everybody independently of character and talents; but Nature will see that she is not frustrated or brought to nought, and I do not think educated men should ever cease to call attention to this fact,—that is, ever cease to preach hopefulness, not to everybody, but to good people. This is no bar to benevolence to bad people or any people, but our first duty is loyalty to the great qualities of our kind, to the great human virtues, which raise the civilized man above the savage.

There is probably no government in the world to-day as stable as that of the United States. The chief advantage of democratic government is, in a country like this, the enormous force it can command on an emergency. By "emergency" I mean the suppression of an insurrection or the conduct of a foreign war. But it is not equally strong in the ordinary work of administration. A good many governments, by far inferior to it in strength, fill the offices, collect the taxes, administer justice, and do the work of legislation with much greater efficiency. One cause of this inefficiency is that the popular standard in such matters is low, and that it resents dissatisfaction as an assumption of superiority. When a man says these and those things ought not to be, his neighbors, who find no fault with them, naturally accuse him of giving himself airs. It seems as if he thought he knew more than they did, and was trying to impose his plans on them. The consequence is, that, in a land of pure equality, as this is, critics are always an unpopular class, and criticism is, in some sense, an odious work. The only condemnation passed on the governmental acts or systems is apt to come from the opposite party in the form of what is called "arraignment," which generally consists in wholesale abuse of the party in power, treating all their acts, small or great, as due to folly or depravity, and all their public men as either fools or knaves. Of course this makes but small impression on the public mind. It is taken to indicate not so much a desire to injure the public service as to get hold of the offices, and has as a general rule but little effect. Parties lose their hold on power through some conspicuously obnoxious acts or failures; never, or very rarely, through the judgments passed on them by hostile writers or orators. And yet nothing is more necessary to successful government than abundant criticism from sources not open to the suspicion of particular interest. There is nothing which bad governments so much dislike and resent as criticism, and have in past ages taken so much pains to put down. In fact, a history of the civil liberty would

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consist, largely, of an account of the resistance to criticism on the part of rulers. One of the first acts of a successful tyranny or despotism is always the silencing of the press or the establishment of a censorship.

Popular objection to criticism is, however, senseless, because it is through criticism—that is, through discrimination between two things, customs, or courses—that the race has managed to come out of the woods and lead a civilized life. The first man who objected to the general nakedness, and advised his fellows to put on clothes, was the first critic. All genuine criticism consists in comparison between two ways of doing something, and it is by such comparison that the world has advanced. Criticism of a high tariff recommends a low tariff; criticism of monarchy recommends a republic; criticism of vice recommends virtue. In fact almost every act of life in the practice of a profession or the conduct of a business condemns one course and suggests another. The word means *judging*, and judgment is the highest of the human faculties,—the one which most distinguishes us from the animals.

There is probably nothing from which the public service of the country suffers more to-day, than the silence of its educated class; that is, the small amount of criticism which comes from disinterested and competent sources. It is a very rare thing for an educated man to say anything publicly about the questions of the day. He is absorbed in science, or art, or literature, in the practice of his profession, or in the conduct of his business; and if he has any interest at all in public affairs, it is a languid one. He is silent because he has not much care, or because he does not wish to embarrass the administration or "hurt the party," or because he does not feel that anything he could say would make much difference. So that on the whole it is very rarely that the instructed opinion of the country is ever heard on any subject. The report of the Bar Association on the nomination of Maynard in New York was a remarkable exception to this rule. Some improvement in this direction has been made by the appearance of the set of people known as the "Mugwumps," who are in the main men of cultivation. They have been defined in various ways. They are known to the masses mainly as "kickers"; that is, dissatisfied, querulous people, who complain of everybody and cannot submit to party discipline. But they are the only critics who do not criticise in the interest of party, but simply in that of good government. They are a kind of personage

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whom the bulk of the voters know nothing about, and find it difficult to understand, and consequently load with ridicule and abuse. But their movement, though its visible recognizable effects on elections may be small, has done inestimable service in slackening the bonds of party discipline, in making the expression of open dissent from party programmes respectable and common, and in increasing the unreliable vote in large States like New York. It is of the last importance that this unreliable vote—that is, the vote which party leaders cannot count on with certainty—should be large in such States. The mere fear of it prevents a great many excesses.

But in criticism one always has hard work in steering a straight course between optimism and pessimism. These are the Scylla and Charybdis of the critic's career. Almost every man who thinks or speaks about public affairs is either an optimist or a pessimist: which he is, depends a good deal on temperament, but often on character. The political jobber or corruptionist is almost always an optimist. So is the prosperous business man. So is nearly every politician, because the optimist is nearly always the more popular of the two. As a general rule people like cheerful men and the promise of good times. The kill-joy and the bearer of bad news has always been an odious character. But for the cultivated man there is no virtue in either optimism or pessimism. Some people think it a duty to be optimistic, and for some people it may; but one of the great uses of education is to teach us to be neither one nor the other. In the management of our personal affairs, we try to be neither one nor the other. In business, a persistent and uproarious optimist would certainly have poor credit. And why? Because in business the trustworthy man, as everybody knows, is the man who sees things as they are; and to see things as they are, without glamour or illusion, is the first condition of worldly success. It is absolutely essential in war, in finance, in law, in every field of human activity in which the future has to be thought of and provided for. It is just as essential in politics. The only reason why it is not thought as essential in politics is, the punishment for failure or neglect comes in politics more slowly.

The pessimist has generally a bad name, but there is a good deal to be said for him. To take a recent illustration, the man who took pessimistic views of the silver movement was for nearly twenty years under a cloud. This gloomy anticipation of 1873 was not realized until 1893. For a thousand years after Marcus Aurelius, the pessimist, if I may use the expression, was "cock of the walk."

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He certainly has no reason to be ashamed of his rôle in the eastern world for a thousand years after the Mohammedan Hegira. In Italy and Spain he has not needed to hang his head since the Renaissance. In fact, if we take various nations and long reaches of time, we shall find that the gloomy man has been nearly as often justified by the course of events as the cheerful one. Neither of them has any special claim to a hearing on public affairs. A persistent optimist, although he may be a most agreeable man in family life, is likely in business or politics to be just as foolish and unbearable as a persistent pessimist. He is as much out of harmony with the order of nature. The universe is not governed on optimistic any more than on pessimistic principles. The best and wisest of men make their mistakes and have their share of sorrow and sickness and losses. So also the most happily situated nations must suffer from internal discord, the blunders of statesmen, and the madness of the people. What Cato said in the Senate of the conditions of success, "*vigilando, agendo, bene consulendo, prosperé omnia cedunt*," is as true to-day as it was two thousand years ago. We must remember that though the optimist may be the pleasantest man to have about us, he is the least likely to take precautions; that is, the least likely to watch and work for success. We owe a great deal of our slovenly legislation to his presence in large numbers in Congress and the legislatures. The great suffering through which we are now passing, in consequence of the persistence in our silver purchases, is the direct result of unreasoning optimism. Its promoters disregarded the warnings of economists and financiers because they believed that—somehow, they did not know how—the thing would come out right in the end. This silver collapse, together with the Civil War over slavery, are striking illustrations to occur in one century, of the fact that, if things come out right in the end, it is often after periods of great suffering and disaster. Could people have foreseen how the slavery controversy would end, what frantic efforts would have been made for peaceful abolition! Could people have foreseen the panic of last year, with its widespread disaster, what haste would have been made to stop the silver purchases! And yet the experience of mankind afforded abundant reason for anticipating both results.

This leads me to say that the reason why educated men should try and keep a fair mental balance between both pessimism and optimism is that there has come over the world in the last twenty-five or thirty years a very great change of opinion touching the relations

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of the government to the community. When Europe settled down to peaceful work after the great wars of the French Revolution, it was possessed with the idea that the freedom of the individual was all that was needed for public prosperity and private happiness. The old government interference with people's movements and doings was supposed to be the reason why nations had not been happy in the past. This became the creed, in this country, of the Democratic party which came into existence after the foundation of the Federal government. At the same time there grew up here the popular idea of the American character, in which individualism was the most marked trait. If you are not familiar with it in your own time, you may remember it in the literature of the earlier half of the century. The typical American was always the architect of his own fortunes. He sailed the seas and penetrated the forest, and built cities and lynched the horse-thieves, and fought the Indians and dug the mines, without anybody's help or support. He had even an ill-concealed contempt for regular troops, as men under control and discipline. He scorned government for any other purposes than security and the administration of justice. This was the kind of American that Tocqueville found here in 1833. He says:[1]

"The European often sees in the public functionaries simply force; the American sees nothing but law. One may then say that in America a man never obeys a man, or anything but justice and law. Consequently he has formed of himself an opinion which is often exaggerated, but is always salutary. He trusts without fear to his own strength, which appears to him equal to anything. A private individual conceives some sort of enterprise. Even if this enterprise have some sort of connection with the public welfare, it never occurs to him to address himself to the government in order to obtain its aid. He makes his plan known, offers to carry it out, calls other individuals to his aid, and struggles with all his might against any obstacles there may be in his way. Often, without doubt, he succeeds less well than the State would in his place; but in the long run the general result of individual enterprises far surpasses anything the government could do."

Now there is no doubt that if this type of character has not passed away, it has been greatly modified; and it has been modified by two agencies,—the "labor problem," as it is called, and legislative protection to native industry. I am not going to make an argument about the value of this protection in promoting native industry, or about its value from the industrial point of view. We may or we may not owe to it the individual progress and prosperity of the United States. About that I do not propose to say anything. What I want to say is that the doctrine that it is a function of government, not simply to

[1] "Democracy in America," Vol. I., p. 157.

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foster industry in general, but to consider the case of every particular industry, and give it the protection that it needs, could be preached and practised for thirty years in a community like this, without modifying the old American conception of the relation of the government to the individual. It makes the government in a certain sense a partner in every industrial enterprise, and makes every election an affair of the pocket to every miner and manufacturer and to his men; for the men have for fully thirty years been told that the amount of their wages would depend, to a certain extent at least, on the way the election went. The notion that the government owes assistance to individuals in carrying on business and making a livelihood has in fact, largely through the tariff discussions, permeated a very large class of the community, and has materially changed what I may call the American outlook. It has greatly reinforced among the foreign-born population the socialistic ideas which many bring here with them, of the powers and duties of the State toward labor, for it is preached vehemently by the employing class.

What makes this look the more serious is that our political and social manners are not adapted to it. In Europe, the State is possessed of an administrative machine which has a finish, efficacy, and permanence unknown here, and on the absence of which Tocqueville comments and explains, and which it is, as all the advocates of civil-service reform know, very difficult to supply. All the agencies of the government suffer from the imposition on them of what I may call non-American duties. For instance, a custom-house organized as a political machine was never intended to collect the enormous sum of duties which must pass through its hands under our tariff. A post-office whose master has to be changed every four years to "placate" Tammany, or the anti-Snappers, or any other body of politicians, was never intended to handle the huge mass which American mails have now become. One of the greatest objections to the income tax is the prying into people's affairs which it involves. No man likes to tell what his income is to every stranger, much less to a politician, which our collectors are sure to be. Secrecy on the part of the collector is, in fact, essential to reconcile people to it in England or Germany, where it is firmly established; but our collectors sell their lists to the newspapers in order to make the contributors pay up.

In all these things we are trying to meet the burden and responsibilities of much older societies with the machinery of a much earlier and simpler state of things. It is high time to halt in this progress

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until our administrative system has been brought up to the level even of our present requirements. It is quite true that, with our system of State and Federal Constitutions laying prohibitions on the Legislature and Congress, any great extension of the sphere of government in our time seems very unlikely. Yet the assumption by Congress, with the support of the Supreme Court, of the power to issue paper money in time of peace, the power to make prolonged purchases of a commodity like silver, the power to impose an income tax, to execute great public works, and to protect native industry, are powers large enough to effect a great change in the constitution of society and in the distribution of wealth, such as, it is safe to say, in the present state of human culture, no government ought to have and exercise.

One hears every day from educated people some addition to the number of things which "governments" ought to do, but for which any government we have at present is totally unfit. One listens to them with amazement, when looking at the material of which our government, for the matter of that, all governments are composed, for I suppose there is no question that all legislative bodies in the world have in twenty years run down in quality. The parliamentary system is apparently failing to meet the demands of modern democratic society, and is falling into some disrepute; but it would seem as if there was at present just as little chance of a substitute of any kind as of the dethronement of universal suffrage. It will probably last indefinitely, and be as good or as bad as its constituents make it. But this probable extension of the powers and functions of government make more necessary than ever a free expression of opinion, and especially of educated opinion. We may rail at "mere talk" as much as we please, but the probability is that the affairs of nations and of men will be more and more regulated by talk. The amount of talk which is now expended on all subjects of human interest—and in "talk" I include contributions to periodical literature—is something of which a previous age has had the smallest conception. Of course it varies infinitely in quality. A very large proportion of it does no good beyond relieving the feelings of the talker. Political philosophers maintain, and with good reason, that one of its greatest uses is keeping down discontent under popular government. It is undoubtedly true that it is an immense relief to a man with a grievance, to express his feelings about it in words, even if he knows that his words will have no immediate effect. Self-love is apt to prevent most men from thinking that anything they say with passion or

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earnestness will utterly and finally fail. But still it is safe to suppose that one-half of the talk of the world on subjects of general interest is waste. But the other half certainly tells. We know this from the change in ideas from generation to generation. We see that opinions which at one time everybody held became absurd in the course of half a century—opinions about religion and morals and manners and government. Nearly every man of my age can recall old opinions of his own, on subjects of general interest, which he once thought highly respectable, and which he is now almost ashamed of having ever held. He does not remember when he changed them, or why, but somehow they have passed away from him. In communities these changes are often very striking. The transformation, for instance, of the England of Cromwell into the England of Queen Anne, or of the New England of Cotton Mather into the New England of Theodore Parker and Emerson, was very extraordinary, but it would be very difficult to say in detail what brought it about, or when it began. Lecky has some curious observations, in his "History of Rationalism," on these silent changes in new beliefs *apropos* of the disappearance of the belief in witchcraft. Nobody could say what had swept it away, but it appeared that in a certain year people were ready to burn old women as witches, and a few years later were ready to laugh at or pity any one who thought old women could be witches. "At one period," says he, "we find every one disposed to believe in witches; at a later period we find this predisposition has silently passed away." The belief in witchcraft may perhaps be considered a somewhat violent illustration, like the change in public opinion about slavery in this country. But there can be no doubt that it is talk,—somebody's, anybody's, everybody's talk,—by which these changes are wrought, by which each generation comes to feel and think differently from its predecessor. No one ever talks intimately about anything without contributing something, let it be ever so little, to the unseen forces which carry the race on to its final destiny. Even if he does not make a positive impression, he counteracts or modifies some other impression, or sets in some train of ideas in some one else, which helps to change the face of the world. So I shall, in disregard of the great laudation of silence which filled the world in the days of Carlyle, say that one of the functions of an educated man is to talk,—and of course he should try to talk wisely.

E. L. Godkin.

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COLONIZATION AS A REMEDY FOR CITY POVERTY.

In 1790 but 3 per cent of the population of this country lived in towns of more than 5,000 inhabitants, and as late as 1840 only 8 per cent so lived. Then began the modern drift of population to the cities; until in 1880 22 per cent, and in 1890 more than a quarter of our population, were city-residents. It is this ceaseless pull of the city on the population which most perplexes charity. If, even in so monstrous and unnatural an aggregation of humanity as the city of New York, charity could deal for a while with a fixed quantity, the problem of relief would seem almost simple; but the complicating and, sometimes, the heartbreaking aspect of city charity is the constant inrush of immigration, foreign and native, as though a city were a whirlpool which drew into itself all the floating fragments of unattached humanity.

What, then, are the nature and effect of this influx to the cities; and what does it indicate as to methods of relief? As to the first of these questions—the character of the influx—we are in a position to make at least a partial answer, for the influx to city life has been lately analyzed with scrupulous care in the case of its greatest dimensions and complexity. One of the most remarkable researches in Mr. Charles Booth's remarkable book is the study of this influx to London. It is made by a most competent young student, Mr. Llewellyn Smith, and his conclusions, though they may be subject to change in detail to meet other conditions, are of the most fundamental importance. Mr. Smith first eliminates from his inquiry the foreign-born residents of London, and then considers the proportion of London residents born in other parts of England. His result is twofold.

First, he observes that an extraordinary proportion of city-dwellers—not less than 35 per cent for all London—are country-born; and secondly, he adds the much more remarkable fact of a definite ratio between country-birth and poverty. The proportion of country-born is, he believes, in inverse ratio to the poverty of the district. Where the poverty is greatest in London, there the country-born are fewest; and where prosperity prevails, there the country-born predominate. In Bethnal Green, the centre of poverty, there are but

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$12\frac{5}{10}$ per cent of country-born, as compared with 35 per cent in the whole metropolis, and in Whitechapel there are but 20 per cent; but, on the other hand, in Mayfair no less than 59 per cent of the population were born in the country, and in Kensington and Belgravia more than one-half. What does this mean as to the character of the migration? It reverses the common impression as to the nature of this drift. It is commonly supposed that the city draws to itself the worst elements of society; that the riff-raff of the country drifts to the city and constantly increases its debasing elements. But the fact seems to be—so far at least as London proves it,—that the city draws to itself the most competent. The most vigorous and venturesome of the country-born are tempted by the prizes of city life and its increase of the chances of success, and, coming to the city fresh and alert, the country-born capture the prizes, and the town-resident goes to the wall in the competition. Thus there is in city life a constant "indraft" and then a "downdraft." City work first invites, and then degrades. The country-born first invades and captures the city, and is then in turn himself taken captive by it, as by some monster which devours those who feed her. Thus the influx to the city is not primarily bad for the city. This accession of fresh workers is, indeed, what keeps city work well done. The evil comes through the deteriorating effect on the migrant, and still more on his children. City work seems to be like the exhausting labor which goes on in the fireroom of some great steamship. It needs a constant accession of fresh hands.

Such is the solemn picture of this movement of life to the city,—an indraft and then a downdraft: a picture which, if not so fearfully true elsewhere as in London, is yet not far from that which any charity-worker in the heart of city life would have to paint. To what general principles of judicious charity does this statement of the influx point? Not, of course, to any single panacea which can remedy at once the deterioration of city life. A multitude of changes, corrective, educative, and industrial, have their place in this remedial work. Yet the logical inference from this story of the influx is clear. If the influx to the city is thus a peril, the correction of it must finally come through the development of an efflux. If the social circulation thus flows into the city and then stagnates there, this circulation must be completed by an outflow to the depleted country. If there is this indraft and downdraft in city life, a counter-draft outward should be induced.

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There are many ways in which this renewal of social circulation is proceeding among us by natural and often by unconscious methods. The vast development of suburban life is one of these distinct contributions to social health. Each of those modest cottage homes, which now in endless rows border the outskirts of each great city, increases the chances of self-help and domestic integrity,—the two qualities which stable civilization most demands. Each scheme of rapid transit encourages this ethical end. The signs of the times point perhaps to an era when a city shall be for the most part simply a vast warehouse and shopping-place, into which a great tide of population will flow each morning only to ebb again each night, so that, as in the case of that region of London specifically known as "the City," the population of these trading-places may tend to decline rather than to increase. This is one natural means of efflux provided for persons of moderate means. There is also some degree of natural efflux on the part of the very rich. This class of persons, so obviously less fortunate than the first, cannot with complete self-respect remove themselves altogether out of the city; for the city offers to them special resources of intimacy, of ostentation, of dissipation, and of occupation for many otherwise meagre and empty lives. Yet more and more the city is perceived by the rich to be a deteriorating influence. They see this, first, in the case of their children, and especially of their boys, and deport them to the better environment of country boarding-schools. This increasing habit is the same in principle as the method long pursued by the New York Children's Aid Society in the deportation of the children of the poor. It is a "placing-out" system. The downdraft of city life is escaped by this colonizing of the children of the rich,—a system which procures at last for them the same advantage which has been for years enjoyed by the children of the very poor. Even the grown-up world which calls itself society feels more and more the strain of continuous city life and its laborious and wearing demands; and as soon as these preposterous demands seem satisfied, the country claims the rich, until now, for at least six months of the year, a street of the prosperous in our city might be mistaken for a street of tombs.

There remains, however, that vast class who have been drawn in by the draft of city life and then drawn down to the bottom. No natural relief comes to them. They have neither the means nor the intelligence to migrate with the efflux. The same instinct which drew them to the city holds them there. They are attracted by the chance

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of easy life, and this tends to make them unthrifty and casual workers, until at last they are the worn-out stokers of the great engine-room of city life. Here is the central problem of city charity. What is to be done with this submerged class, this social sediment which drops to the bottom and clogs the movement of the stream?

Once more, we must answer that no single method can deal with this tragic problem. Indeed we must add that no series of methods can deal with it very quickly. An evil of such dimensions and such unchecked growth calls, first of all, for patience; and the hardest trial of any one who gives his heart to the alleviation of such evils is the necessity laid upon him of slow and imperfect work. "The trouble is," said Theodore Parker, of the Anti-Slavery cause,—and any charity-worker must often repeat his words,—"The trouble is that God is not in a hurry, and I am." The logical and natural method is the development of an efflux to relieve this congestion. If the social circulation will not complete itself by natural means, then it must be artificially stimulated, as by the colonization of the unfit. The colonizing—or rather the domesticating—of children away from the downdraft of the city, is the essence of child-saving charity, and it is best illustrated by the monumental work of the New York Children's Aid Society. Its 100,000 wards, scattered through all our States and Territories, justify the title given to this work by one of its most competent observers, as: "the noblest work in the world."[1] This is the method of anti-institutionalism, and this, I take it, is now the first principle of child-saving. No form of charity is on the whole so extravagant for any city as the maintenance of great asylums, and no way of life is likely to be so pernicious to children as life in an institution. "The institution boy," says Mr. Riis, "makes the poorest kind of apprentice. He is only saved from being a tough by becoming an automaton." The first rule of wise municipal care of children is not only "out-of-door relief," but "out-of-town relief," and the farther out the better.

Such is the colony plan in its simplest form of application. For the infinitely more difficult case of the colonizing of adults, we have to guide us two forms of experiments: that of Holland, and that of Germany, of which last the colonizing plan attempted by the Salvation Army is a direct, though not a clearly acknowledged, imitation.

The Dutch plan reduces relief in the towns to the smallest possi-

[1] J. A. Riis, in THE FORUM, January, 1894, vol. xvi., p. 624.

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ble proportions.[1] No great poorhouses and few able-bodied paupers are there to be met. The policy is that of segregation. Its method is twofold. On the one hand is the voluntary colony, a tract of about 5,000 acres, divided into six large model farms and 224 small holdings, receiving in all about 1,700 persons. This colony is directed by a voluntary society with State aid. A poor person making application to the society for relief may have the opportunity of removing to a model farm, and, having served his apprenticeship, may be transferred to a small holding and become a "free farmer." On the other hand is the forced-labor colony. The legislation against mendicancy and vagrancy is strict, and a person convicted of such offences is sent, after a short term in jail, to the compulsory colony. It lies twelve miles from the railway, and it has no visible barriers though its occupants wear a uniform dress, and are, in a way, guarded. Yet the occupant has no great inducement to run away. If he runs to the towns he is likely to be at once again arrested and returned again to the colony; and if he flees the country and perhaps migrates to America, that is just what Holland would desire. Each laborer gets the necessities of life, and a small weekly stipend, one-third of which he must reserve to his day of release. Neither colony is self-supporting, but it is at least several times less extravagant than the maintenance of the same number of persons by the State in city poorhouses and jails, and it at least removes the unfit from competitive life, and reduces the problem of the city.

The Labor Colonies of Germany have a different design. They intend to meet the need not so much of the submerged in the cities as of the tramp in the country. They are temporary refuges where a man who, through the tramp-habit, has lost the power of continuous industry, may voluntarily betake himself and be made over into a steady workman. They are the scheme of a devoted and saintly pastor, and express at every point that Christian feeling and that friendly piety which in Germany has come to bear the name of this noble man and to be known as "*Bodelschwinghgeist.*"[2] Nothing could be more ingenious than the way in which Von Bodelschwingh's first

[1] The Dutch Labor Colonies are described by H. V. Mills, "Poverty and the State," London, 1886; and in Vol. IV. of the "London Charity Organization Review."

[2] The German Labor Colonies are described in THE FORUM for February, 1892, in which article further references are given; also in "A Colony of Mercy," London, 1893. They are severely criticised in the "Journal of Political Economy," of Chicago, for December, 1893.

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colony ensured strenuous labor and avoided competition. Near his town of Bielefeld stretches away a great sterile tract of sand. Beneath the surface, however,—at a depth of about three feet,—is a stratum of bog-iron ore, a few inches thick, and hard as iron, which, when thrown up to the surface and exposed to the air, becomes rich and natural manure. Thus, as has been said, a submerged humanity was set to work to reclaim a submerged soil; and this labor has transformed a little corner of that dreary region from a desert into a garden. This colony, which is one of twenty-two in various parts of Germany, is not self-supporting. Its expenses in 1889 were $15,000, and its earnings about one-half of that sum, the deficit being made up by voluntary benevolence. But, on the other hand, in the province of Westphalia, ten years ago some 4,000 men were professional tramps, and their support, at 25 cents a day each, must have cost the community something like $300,000 a year. The German Labor Colonies have been much criticised. It has been pointed out that they are more and more resorted to by discharged convicts. It is further shown that many of their occupants stay but a short term; that many are repeaters, or "colony-bummers," as they are called in Germany; and that but a small proportion of the colonists are restored to steady work. Yet, a refuge for the peculiarly friendless class of discharged prisoners is no small blessing; and a record which shows about 50 per cent of these migratory patients as voluntarily remaining at the colony for more than two months, and 65 per cent at the colony for the first time, and something like 20 per cent returned to definite occupations, cannot be called hopelessly bad. The German system must be considered in relation to the specific problem with which it deals, the migratory habit of German labor; and it is so devotedly and religiously administered that no better results can be reasonably looked for in a voluntary system.

Comparing the German plan with the Dutch, we have the two possible kinds of colony. The German plan is one of Christian charity; the Dutch plan is one of State socialism. The German plan offers an opportunity; the Dutch plan enforces an obligation. The German plan is repeated in the farm of the Salvation Army with its now very dubious financial results; the Dutch plan realizes the proposal of Mr. Charles Booth, that the whole of his class of the "very poor" should be withdrawn from city competition and set to forced labor as at least partial contributors to society.

How far, then, is any such system applicable to the conditions of

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life in this country? What is the class of persons to be here dealt with? Have we in our cities a distinct and permanent class of the unemployed who are wanting work, but are forced to the wall in competition? If this is the case, then the voluntary principle should be accepted, and it would be enough, as in Germany, to offer an opportunity for self-redemption. Or is there in our cities in normal times no such distinct class, and is the submerged body of "out-of-works" really made up of the "don't-want-to-works," or, perhaps of the "don't-know-how-to-works"? Then the offer of an opportunity would not be enough. They would not have the self-command to turn voluntarily from the beggary of the city to strenuous country labor; and the forced-labor principle of Holland, rather than the Christian charity of Germany, would have to be accepted. I do not doubt that there is some degree of opportunity in this country for both principles. It would be, at least, most interesting if some city-relief society or some individual should try the experiment of a voluntary colony. In the very noteworthy paper on this same subject, presented by Mrs. Charles R. Lowell to the Chicago Charity Congress, she describes one such undertaking—that of Mr. Joseph M. Drexel, maintained at Plainville, N. J., from 1874 to 1888. This farm is reported as costing $979 a year for administration. It received from 30 to 40 men each year; and in its last year, 1888, of 44 colonists, 22, or just half, were transferred to permanent situations on farms, thus practically relieving the city congestion. One returned to friends, sixteen to New York, and five remained on the colony-farm. Here is no unprofitable showing; and in a critical emergency like the present one, voluntary migration from the crushing environments of city life to well-ordered farm industry might be at least for a time welcomed by many persons in whom the desire for self-help still exists. A plan like this would be, I suppose, the most irreproachable form in which an individual or a society could contribute to the relief of the present grave distress. And yet, when we consider, not the present emergency, but the condition of this country in ordinary times, I think we cannot expect great things of voluntary colonies. When industrial conditions are normal, it is probably not the case that willing and sober workers have to wait long for occupation.

What makes these unfortunates go under in the strain of city life is, as a rule, their lack of persistence in will, or lack of soberness in habit. Either they do not know how to work, or they will not work continuously, or they have become incapable of hard work through

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physical or moral weakness. This, which would be, I suppose, the general impression of most charity-experts, is greatly fortified by Mrs. Lowell's special investigation. She reports a series of inquiries made of the chief administrators of charity in New York city as to the quality of applicants and the causes of their lack of employment, and in every case her returns point, first of all, to moral or physical incapacity, such as could not or would not profit by a voluntary system; and she forcibly concludes that, if a colony is to demand of its occupants strenuous exertion and strict self-control, the great proportion of our unemployed would simply not go to it or would at least soon run away.

We are directed, therefore, to what we may call the Dutch system, —a method of State control, based on rigid legislation as to mendicancy and vagrancy, and deporting persons thus convicted for these slight offences from the life which has degraded them to the restorative effect of well-organized farm-labor. It is a substitute, that is to say, for much of our present system of jails and poorhouses, which, as Mrs. Lowell, with severity bred of her long experience, remarks, "seem to be carefully prepared to do as much harm as human ingenuity could devise to the unhappy beings who are condemned to enter them." I do not suggest an immediate overturning of our whole system of corrective institutions in favor of rural colonies. It is a method which could be developed with any degree of caution. A city might make the experiment at first on a very small scale, knowing that at any rate it would be economical and could hardly be less educative than institutional life. Nor do I mean that the present crisis could be at once met by an abrupt enforcement of such a compulsory plan. Many persons, as I have already said, are now destitute, who should not be treated as offenders, and many who need but very temporary and very special help. But looking at the policy of city charity in the most general way, and considering how this fearful downdraft of the city is to be counteracted, one can hardly help imagining some ideal future, when a city shall, even for its own self-protection, re-distribute its inefficient citizens in ways which shall at once save the city from the burden of their idleness, and save the citizens from their own ever-increasing helplessness.

In that ideal time, what should a city say to such a submerged life? It should say: "First of all, you must go out of town. You are a dead weight here, sinking from bad to worse, and dragging other lives down with you. This is not a good place for you, and it

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is not good for the city that you should stay here. Two alternatives are before you. Either you must apply to be sent to our voluntary colony, where every opportunity of healthy life and vigorous labor will be offered you, and where you may hope to be restored to capacity for social service; or else, coming on the charity of the city as the receiver of help derived from taxation, you will be sent, not to a jail or poorhouse, where your inclination to idleness will be encouraged and you become more and more a burden, but to a colony of compulsory farm-labor adapted to your capacity and need. One thing you cannot do. You cannot stay here and beg."

Thus the city would hold in one hand the assurance of substantial and healthful work, and with the other hand it would warn off the loafer. Idleness would not only be a thing to be pitied, it would be a thing forbidden. To those proposing to be its citizens the city would say: "If you come to the city, it must be as a contributor to the common good, and if you have not the capacity or inclination for this, you must either not come or soon go. This city is not a sink for idlers; it is a well-conducted business establishment. No worn-out employee shall be discarded or abused. He shall be mercifully cared for in our convalescent colony, and given work not beyond his capacity and strength; but he shall not clog the stream of city life or hang there about the necks of the hard-working and self-respecting poor, who are just keeping their heads above water." For those who still have any capacity for restoration to social service, the vast development of city institutional life, with all its degrading results on its herded occupants, would be by degrees supplanted by colony-life and country-labor, and the unfit to compete would be at least segregated from competition, removed from many of their worst temptations, and not infrequently, made over into useful, self-respecting lives.

I do not disguise from myself that this is radical doctrine. It is, of course, on any large scale, a remote and visionary plan. It involves a wholesale change of opinion about city institutions and their work. It is based on the principle that idleness is not only a misfortune to be pitied, but is a social evil not to be endured. It is the principle that life in a social world means work, and that one of the first statements of history as to the law of God: "In the sweat of thy brow shalt thou eat bread," remains still a Divine command. The drift of life to the cities is largely made up of those who hope to escape this commandment. They want to live without work; and, while many succeed, many sink, and, having begun with the lack of

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desire for work, end with the lack of power for work. The only final way to meet the drift to idleness is to enforce the gospel of work. The out-of-work should be set to work; not in the city, where the habit of work is hardest for him to form, but under the most recuperative and reformatory conditions to be devised. As Henry Fielding remarked, in one of the earliest studies of the causes of pauperism,[1] "The great cure for idleness is labor."

Finally, it may be asked: "Is not this municipal socialism of an extreme type? Does it not accept the prevailing socialist doctrine of the right of every man to work?" I answer that it does; though it certainly does not teach the right to work wherever a man will or as little as he will, but dictates the conditions and prolongs the term of work. But the fact is that my doctrine goes far beyond the familiar talk of socialism, for it teaches not so much the right to work if one wants to, but the obligation to work whether one wants to or not. This is socialism; but it is socialism, so to speak, turned round. It is socialism with a side of it emphasized of which one hears little from the agitators. Much talk called socialistic is really only disguised individualism. It is really thinking of the individual only, and wondering what he can get out of the State or out of the prosperous. It talks of the right of every one to share in the spoils, and of the duty of the city to guarantee that share. But I am dealing with that aspect of socialism which thinks first of the common good; not primarily of my right of the spoils, but of my duty to the community; not of what I ought to get out of the State, but what the State ought to get out of me; not of what the State can do for me, but of what I can do for it. Mr. Lowell has said that Democracy means, not "I'm as good as you are," but, "You are as good as I am." So socialism means, not "I ought to have what society has," but "Society ought to have what I have."

To the many perils from which all cities even now guard themselves, and against which all legislation is socialistic,—perils like the drink habit, the selling of dynamite, the evil of prostitution,—we should add one more peril: that of idleness. Every member of a modern State ought to be, in some way and degree, by his mind or his hands or both, a contributor to the great welfare. If that is socialism, let us make the most of it. It is also the hope of stable civilization and the secret of judicious charity.

FRANCIS G. PEABODY.

[1] An Inquiry into the Causes of the Late Increase of Robbers: 1751.

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STABILITY OF THE GREAT RELIGIOUS SECTS.

ANY one who will take the pains to study the voluminous results of the recent Census of the Churches may find in them a satisfactory answer to many interesting and important questions. The inquiry was quite an exhaustive one, and was, of course, meant to be strictly impartial and accurate. The power and resources of the Government were available to make it so, and it is a matter of no little public concern that what private enterprise would not undertake and could not, perhaps, successfully conduct, was made a feature of the Eleventh Census. No time, trouble, or expense was spared to make it what it should be.

Those who have not given special attention to the number and character of the divisions of religion in the United States will be astonished at the array of denominations, or religious bodies, which the Census presents. It would seem that the one hundred and forty or more distinct titles must embrace all the varieties of faith that the world has produced. But it is not so. Mohammedanism, one of the great religions of the East, is not represented. General Webb had not begun his missionary work for Islam among us when the list was made up, nor had the muezzin's call been heard in Union Square, in New York city. These are later developments, and must, with other like phenomena, be left to the next decennial census, if, indeed, they do not disappear in the mean time. In a decade many changes occur. Some denominations are lost entirely from the religious firmament, and new ones come into view. Within a few years a body known as Sandemanians has become extinct, and quite a number of the denominations now claiming a place in the general list are in a state of decay. Most of the communistic societies are declining in membership, or are so small as to be utterly insignificant. The Shakers have lost more than 25 per cent of the members they reported in 1875, and six of the eight societies which are classified as communistic average only 120 members each.

A thorough examination of the list shows that the array of denominational titles is far more formidable than the array of denomi-

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national forces. Ten thousand members do not, all will admit, make a very respectable denomination as to numbers. Scattered among the fifty States and Territories they would be entirely lost in the mass of people. The name and character of their Church would be known only to a few hundred outside their own communion, unless there were something extraordinary in their principles or practices. As a matter of fact they are generally confined to particular States or sections, and therefore have only a local sphere of work and influence. Of denominations reporting less than 10,000 members there are no fewer than 76, or considerably more than half of the entire list. These 76 denominations have an average of less than 2,400 members each, and combined do not exceed 179,000. Not one of them is of any special importance. They are mere fragments, and if all were to disappear entirely as separate sects, nothing would be lost that is really valuable. They are chips off Methodism, Presbyterianism, Lutheranism, and other well-known bodies, and help to swell the list of divisions for which Christianity is often reproached, while they contribute but slightly to its strength. I would not say, however, that they serve no useful purpose. In many cases they have split off from larger bodies because they embrace an element divisive in spirit and troublesome. There are men who become leaders of factions, and ultimately of divisions, because their idiosyncracies or personal ambitions make them irrepressible disturbers such as influential denominations are generally glad to get rid of. When they go, they are apt to take with them those who would be troublesome if left behind. Some of these little sects, therefore, make it possible for the larger ecclesiastical bodies to enjoy a measure of peace which they could not otherwise have. I do not mean to condemn all the smaller sects. Not a few of them are constituted of noble men who are following their conscience at no small personal sacrifice, oblivious of any responsibility for schism. They elevate minor points of belief—more often questions of polity or discipline—to the plane of principle, and stand like heroes for them. No one would feel like ridiculing the score or so of Reformed Presbyterians who, on account of a difference of the most microscopic character, keep themselves separate from other Reformed Presbyterians, although they are so scattered that they cannot even maintain an organized church. They defend their minute points of difference as sturdily as the martyrs of the primitive church resisted the efforts of pagan governments to rob them of their faith.

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Probably the worst case of division is that of the Mennonites. They are a very worthy people, pure-hearted, simple-minded, devoted to the cause of religion as they understand it. They have been coming to this country from Europe at intervals, for two centuries, because of persecution. They fled from oppression in Germany in the seventeenth century, and from cruelty in Russia in the nineteenth century. They are not numerous in this country, having less, all told, than 42,000 members; but they are divided into no fewer than twelve branches. It is not to be presumed that they are all troublesome spirits. I do not know that they have had any bitter ecclesiastical quarrels, and yet they are not one denomination, but twelve. Perhaps the fires of persecution they have gone through have developed among them a tenacious spirit. Their differences can hardly be called theological in any case. They are mostly disciplinary, and it is really their conservative and liberal tendencies which divide them. The paramount question with them is what practices should be prohibited and what allowed; and what degree of faithfulness to the minor duties of religion and to the old customs should be insisted upon. Thus the three branches of Amish Mennonites may be distinguished as severely strict, moderately strict, and less strict in the enforcement of discipline. The Mennonite divisions are in no sense divisions of faith. In matters of faith they are substantially one.

And this leads me to say that while the term "warring sects" may still fairly be applied to some, at least, of our numerous religious bodies, the "battle of the creeds" was fought out years ago, and the combatants have retired from the field. It is a very striking fact that controversy no longer rages around the questions of the human will, the sovereignty of God, the federal headship of Adam, the decrees and other doctrines over which Calvinistic and Arminian doctors and professors were wont to contend with right good will, and which used to be the subjects of profound and polemic discourses from the pulpit. No preacher would think now of entertaining his hearers with the errors of the Arminian system, or the horrors of the Calvinistic. It can hardly be said that flocks are now distinguished as Calvinistic and Arminian as they once were. Presbyterian sermons suit Methodist congregations, and Methodist sermons are regarded as splendidly orthodox by Presbyterian congregations. Not many years ago a Methodist was examined for admission into a denomination of Calvinistic antecedents. When asked what he thought about the doctrine of the Perseverance of the Saints, he said he held that they

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ought to persevere, and his answer was not unsatisfactory. A candidate for ordination before a presbytery, in the long ago, did not get along so well with his examiners. When asked by the Moderator the not unprecedented question, "Well, brother, are you willing to be damned for the glory of God?"—his irreverent reply was, "No, sir; but I am willing that you should be." It is needless to say he never entered the ministry. The religious thought of the time does not run along the lines of the Westminster and Belgic Confessions, or the Thirty-nine Articles. These symbols are not despised. They are held in veneration; but nobody would hasten to do battle for them as they were defended when they represented the living faith of the Churches. In England and Scotland the Presbyterian bodies have either relaxed the formula of subscription to the Confession, adopted a statement declaratory of the sense in which the Confession is received, or prepared a new creed. The Presbyterian Church in this country does not care to revise its ancient standard, because it cannot do so satisfactorily. It would rather have a short new creed when the time comes to formulate such an evangelical statement of doctrine as will be acceptable to all the Reformed Churches. The Apostles' Creed and that of the Evangelical Alliance seem to be regarded as full enough and definite enough for modern use.

I am sure to be asked why, if the Westminster Confession is not held as it once was, Professor Briggs should have been brought to trial. If that famous heresy case, which based its complaint on the Church standards, does not indicate a battle over the Confession, what does it indicate? I answer, in the first place, that this case was denominational, and not interdenominational. When I speak of the battle of the creeds, I mean a conflict between denominations, not a contest within denominational lines to ascertain what is and what is not contrary to the confessional standard. In the second place, Professor Briggs, the accused, contended that what was true in the complaint against him involved no violation of the Confession. In short, it was a trial to determine whether certain views of the Bible may or may not be tolerated; and when such a trial is prosecuted, it must, of course, be prosecuted on the basis of the Confession. It is a time, in all the Evangelical Churches, of theological discussion over theories of Biblical inspiration. The results of the Higher Criticism have made such discussion inevitable. They have disturbed more or less the accepted traditions as to the authorship, unity, and date of composition of certain books of the Old Testament; and the doctors

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of the denominations are considering what changes in theories of inspiration are necessary in order to adjust theology to such results as biblical research may be said to have fairly established. *Between* the Evangelical denominations there is, as I have already said, no confessional controversy, and in fact no controversy of any kind. In saying this I do not forget the minor differences which exist between them, nor that the difference between Baptist and Pedobaptist bodies has not yet been reconciled. There are questions concerning baptism upon which agreement has not been reached, but they are not made a matter of controversy as they used to be. There is an agreement to disagree, and there is no such exchange of hostilities as the memory of men now living can recall.

The question naturally arises whether this cessation of confessional controversy is not one of several signs that indicate a decay in the faith of the Churches. There is no question of more vital importance than this. That faith is the life of Christianity. As a system of religion it is a matter of little concern what forms of polity and ceremonial it assumes, or how it manifests its outward life. These may change, and do change, according to environment and the varying needs of successive ages. But it is of supreme moment that its faith should not grow cold or give place to doubt. By a vital faith I mean that faith which accepts the Bible as the word of God, Jesus Christ as the son of God and Saviour of the world, the Gospels with their record of supernatural events, the Bible statement of the nature of sin and of the conditions of salvation, and such doctrines as the existence and character of God, the immortality of the soul, and the efficacy of prayer. Is faith in what have been called the verities of religion still dominant in the Churches?

There are men who are asking this question, sincerely desirous to ascertain the truth. The question, of course, implies a degree of doubt or uncertainty. The activity of the Churches in all good works is not wholly convincing. It is a secular age, and its influence has touched religion. The commercial spirit, they say, is in the Churches. They covet wealth, and bow down to wealthy men; they make much of the mere machinery of organization; they build costly edifices, become luxurious, and serve as a sort of social exchange. The fact that they are, in these modern days, fountains of benevolence, alleviating distress, caring for orphans, the infirm, the sick, and the destitute; elevating the lower classes, sympathizing with the unfortunate, and endeavoring to reform, civilize, and enlighten wherever the op-

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portunity offers, does not fully satisfy the questioning observer that these benevolent works spring from faith in the supernatural elements of religion.

I have been for years an anxious inquirer as to the spiritual state and power of the Evangelical Churches. I have used every opportunity to inform myself whether the unquestioned broadening of the stream of Christian benevolence, the increased activity of the Churches in humane works, their wonderful development in financial strength, are the outcome of spiritual life, or a substitute for it; the expression of a love for mankind kindled in souls conscious of the divine love and mercy, or a philanthropy mistaken for religion. I believe there are many influential church members who have more of the philanthropic than of the devotional spirit; that there is a still larger class of persons who believe that the one important service the church performs lies in what it does as a social institution, making men less selfish and ignorant, less vicious and idle, and therefore better members of society and better citizens.

My observation convinces me that there is, making all allowances, not less faith in the church, but more; not a feeble, but a stronger spiritual life. There is a series of facts going to confirm this conclusion.

First, while theology—especially Calvinistic theology—has undergone many changes in the past half-century or more, as indicated by the fact that it has generally outgrown or grown away from the old confessions, the result has not affected faith in the great fundamentals of Christianity. I do not believe that the time has ever been, since the Advent, when the divine mission and nature of Jesus Christ were so fully recognized as now. The belief in him as son of God and equal with God was never stronger or clearer. Old definitions of the Trinity may not be regarded as fully satisfactory; the Athanasian Creed is too mechanical and mathematical to voice the deep feeling of the Church of to-day; but Christ, the centre of the Christian faith, is honored in doctrine, in worship, in thought, in life, as the Creator of all things, the Redeemer of all men, and the Lord and Master of heaven and earth. It is not Strauss's Life of Christ, or Renan's, which men ask for; but Farrar's, Geikie's,—works which recognize his divinity and give full credit to the supernatural in his life. And yet, as criticism or literature, the French and German works might claim great merit. That Christianity which makes so much of Christ and his work for men cannot be regarded as weak in its faith.

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Second, the Scriptures have not lost their place in the Church, nor their attraction for the masses of church members. When the evolution controversy began, not so many years ago, it seemed to many that if the hypothesis were accepted the Scriptures must be discredited. We have seen the end of that controversy, and everybody knows that faith in the Scriptures as the Word of God has not been disturbed. The results of the Higher Criticism seem to many at present equally threatening, but Professor Briggs, who may be taken as a fair representative of the new school of criticism, declares that his faith in the Bible as a revelation of God and as a record of supernatural events is not shaken, but rather confirmed, and that the Higher Criticism does not disturb and cannot disturb the historic and spiritual elements of the great Book. It is a fact that the Bible was never so widely and systematically studied, and so thoroughly taught, as now.

Third, if the faith of the Church were weakened, it would affect the pulpit. We should find a change in the character of its utterances. We should have rationalistic instead of spiritual preaching. Like people like priest; or like priest like people. Take it either way, and any such condition of faith as we have under consideration must infallibly show itself in the pulpit. That it does not show itself in the pulpit to any large degree, and is not characteristic of the preaching of the times, must be the conclusion of every one who is a close observer or will make himself such.

Fourth, if there were any considerable loss of faith in Christianity as a supernatural religion, it would, it seems to me, inevitably affect the cause of foreign missions. Charity begins at home. Those who believe that religion is summed up in good deeds to fellow-men would object to the sending of missionaries to convert the Chinese, Japanese, and Hindus from one faith to another. They would regard it as a waste of men and money. They might favor missions to savages to civilize them; but the tendency would be to confine their efforts to the fields which our own country offers. The benevolent impulses of Unitarianism spend themselves almost wholly in the United States. When, some years ago, they sent a missionary to Japan, it was not to antagonize the faith of the natives, but to emphasize the points of agreement between the two religions, and to show how they could be, so to speak, dovetailed together. While it is a fact that the old doctrine that all the heathen are doomed to everlasting punishment is not now generally held, the motive of Christian missions has not changed.

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"Go ye into all the world and preach the Gospel to every creature," is the command in obedience to which missionaries go out, and the motive is to teach men the way of salvation, reveal to them a higher life, and show them how to become spiritual Christians. Statistics prove that this cause was never nearer to the heart of the Church than now, and that there is a steady increase in the means and men devoted to it.

Fifth, the idea that simple benevolence and helpfulness to men are the soul of religion is the idea for which Unitarianism may be said chiefly to exist. Evangelical Christians hold that the spring of this idea is faith in the supernatural elements of the Gospel; that works of charity and helpfulness to mankind are the natural fruitage of a consecrated spiritual life. It is true that Unitarianism has largely lost this faith; but it is also true that Unitarianism is but a small division of Protestantism and is not at all vigorous in growth. Under the increasing dominance of Rationalism the faith of Channing has paled almost into negation, and its chief concern is with the moral, mental, and temporal affairs of men. It is wealthy, it is benevolent; but its benevolent work is not broader or deeper or more vigorously prosecuted than that of Evangelical Christianity. Where Evangelical Churches send hundreds of missionaries to carry the light of the Gospel to the benighted of other lands, the Unitarians scarcely support one. The splendid work being done in the name of home missions in this country in the name of Christ and for civilization is being done most persistently and effectively by the Evangelical Churches. It is they who go to the rude mining-camps, to the straggling places in the wilderness, among the rough pioneers, into the slums of the great cities, and try to win souls for the Master. The Unitarians have a larger love for their fellow-man, and they study more thoroughly, perhaps, than their Evangelical brethren, those sociological questions which relate to his material well-being, with the object of elevating him. We are not surprised, therefore, to find the Unitarian engaged in the excellent work which College Settlements are doing in our great cities. But without manifesting one whit less zeal for these important interests, the Evangelical Christian goes further: he seeks to reform and uplift by implanting the spiritual germ of a new life, of which a wide Christian charity is the natural expression.

If the type of Christianity represented by Unitarianism were increasing very rapidly, the Unitarian body would naturally be the first to show it. It does not show it. Having nearly half the entire

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strength accredited to the non-Evangelical division of Protestantism, it returns less than 68,000 members, though its basis of membership is of the most liberal description. With the results of the Census before us we are enabled to ascertain how the non-Evangelical element of Protestantism compares with the Evangelical. The former has in organizations or churches 828, and in members, 133,000, in round numbers; the latter, 152,100 organizations and 13,870,000 members. In this classification, however, some denominations which were regarded in former years as non-Evangelical are counted as Evangelical. The Christians, or Christian Connection, are one of these, and the Universalists another. There can be no question that the former are properly so classified; but, so far as I know, the Universalists have never been put in the Evangelical list before. The reason for doing so now I cannot give here; but I believe that the classification is justified.

The body of Christianity in the United States is massed in certain denominations, or rather denominational groups. A hundred years ago the prominent denominations were Baptist, Catholic, Congregational, Friends, Episcopal, Lutheran, Methodist, Presbyterian, and Reformed. These bodies still constitute the chief part of the Christian forces, with some changes in their relative positions. The Catholic group is numerically in the forefront, the Methodist is second, the Baptist third, the Presbyterian fourth, the Lutheran fifth, the Episcopal sixth, and the Congregational, which has no branches, seventh. Phenomenal cases of growth are those of the Catholic, Methodist, Baptist, and Lutheran groups, the first and last chiefly by immigration. The increase of the Presbyterian, Episcopal, and Congregational denominations has been large, but more gradual.

What changes are to be looked for in the next fifty years? There can be no doubt that the denominations mentioned in the preceding paragraph will continue practically to constitute the Christian forces of the country. They are distinct types, each with its own peculiar points of strength and power of self-propagation. Denominations are growing toward one another, and one thing certain to come is consolidation of branches of the same denominational name. Presbyterians, Baptists, Methodists, and Lutherans will reduce their divisions, and greatly increase their power and influence by unification.

H. K. Carroll.

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A RELIGIOUS ANALYSIS OF A NEW ENGLAND TOWN.

MIDDLEBORO, a part of Plymouth County, is, in area, perhaps the largest town in Massachusetts. It is "the kingdom of Namasquet" in the early chronicles. One of the elder daughters of Plymouth, the names of its people those of the best families of the Old Colony, it is a fair type of the better class of New England towns. As such, I offer a brief study in its religious and social history.

For the first half century of its life the town had no place of worship. Sundays, through a forest which is still the most sombre on this coast, with eyes alert for treacherous braves of the Black Sachem, Tispaquin, the people took their way to Plymouth meeting. One day in the summer of 1675 that forest covered their flight,—the day that King Philip fell upon their village and burned it to the ground. When they returned to the ruins of the mill and the thirty houses, they were led by a Pilgrim divine. The present year is the second centennial anniversary of the founding of the First Church of Christ in Middleboro, and the ordination of a minister for the town. Well into the second century of its existence, that church was without rival or serious division. Not unthreatened, however, was its unity; not without prophecy of the later unhappy divisions. In 1745, Mistress Morton, down whose chimney the voice of the Lord used to be heard, was inspired to mount her chair, and take the road for Plymouth to hear, first Whitefield, and then a famous New-Light preacher. The latter sent her back to spread the leaven of discontent, and to put up a schismatic meeting-house across the road from the First Church of Christ. However, something like a catholic character was exhibited by the Puritan church in New England, in its appropriation and assimilation of the chaotic elements of the Great Revival, and the First Church was soon able to take again into its embrace the schismatics across the road, and to continue the Church of Middleboro.

Early in this century the society had grown to such strength that it was able to build the meeting-house which now stands on the green. Daniel Webster, riding by, used to raise his whip, point to

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its Ionic columns and its generous porch, and declare it the stateliest building in the Commonwealth. Seventy years ago, on any Sunday, fair or stormy, you would have seen gathering thither the entire population of the Namasquet country. The carriages in which the people came filled and overflowed the line of stalls which stretches many rods along the green. Together up the aisles of the meeting-house, families took their way. Every townsman was in his place. Neighbors saw neighbors, and felt the inspiration of common interests expressed in common worship. Together their hymns and prayers went up, and when the minister took his place in the high pulpit, he looked into the faces, not of a party held together by some peculiar notion or practice, but of the whole town. In the nooning,—the women in the great porch, the men on the benches in the burying-ground,—kindly talk of the neighborhood concerns, the public policy, the conduct of the government, the improving methods of agriculture, commerce, and industry, went on. Here, while the minister sought unction for the afternoon hour-long prayer and longer sermon, among his people fellowship was warmed, mutual understanding was accomplished, friendships were cemented, troths were plighted, society was made a Christian society.

In 1832 the Reverend William Eaton, minister of the church, was brought to trial. Among the charges against him was this: that he had neglected the interests of the town, his parish, in that he had allowed the organization, within its limits, of a religious society called Methodists.

This is a noteworthy exhibition of the fact that the early Congregationalists had what we call the catholic idea. The assumption of catholicity, the feeling that the Church was one and all-embracing, is shown by the absence of a qualifying adjective in the title generally taken by the first congregations: "The Church of Christ." It is shown, too, by the fact that at the time of the New-Light–Old-Light schism, the adherents of the new society were compelled to continue paying taxes for the support of the original church. The remarkable count in the indictment against Mr. Eaton indicates that the minister was regarded as responsible for schism within his parish. Mr. Eaton cleared himself by proving that the Methodist society had been instituted during the ministry of his predecessor. In point of fact, both Methodists and Baptists had organized as early as 1828. Mr. Eaton might have retorted against his accusers that the indictment rightly lay against the church, and

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not against its minister. The fact that certain phases of religious experience found no satisfaction in the old church is convicting testimony of its failure of catholicity. With original possession of the ground, starting with the assumption that it was *the* Church of Christ, had the Congregational body been able to embrace in its large liberality the shades of the religious life and of the progressing theology of these two centuries, its right to be the one spiritual body of the town would now be indisputable. But by such a confession as was made in the trial of Mr. Eaton, and by the multiplication of religious bodies since, the Congregationalists have been forced to abandon the position of a Church, and to acknowledge themselves a sect. They are ready enough now to justify the divisions of Christendom, but I point out the fact—I bid admiration for them on account of the fact—that the fathers of Congregationalism were intolerant of schism; that they took the superb position that they were the Church, and that the Church was one.

The Methodists and the Baptists had established themselves in a growing part of the town, and both rapidly increased, the latter especially soon rivalling the Congregationalists in strength. In 1875 the Adventists established separate worship. A few years later the Perfectionists did so. In 1879 the Archbishop of Boston sent a Roman priest to the town. In 1889 a group of religiously dissatisfied, including anti-Trinitarians, Universalists, and Spiritualists, built a church and called a Unitarian minister. This year, 1894, the Protestant Episcopalians, having already a mission church, are on the point of organizing a parish.

At present there are in the town—

Congregationalists	700	Unitarians	100
Roman Catholics	600	Perfectionists	30
Baptists	450	Adventists	20
Methodists	300		
Episcopalians	100	Total	2,300

and 4,500 persons who have no affiliations of any sort with any religious body. There were last Sunday in the fifteen churches of the town less than twelve hundred people; that is, for every three persons who went to church there were seventeen who did not go. Most of the religious societies are in debt; every church is of wood, and several of the organizations have neither a church nor a hope of ever having one. In North Middleboro, the local Congregational structure having been burned, the Baptists have seized

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upon the opportunity as a good one for them to erect a church, or at least to embarrass their Congregational brethren in their effort to rebuild. There will be two insignificant meeting-houses there, where one is not needed. The old church on the green is next to deserted. The faded curtains back of the pulpit still flap in the breeze, two or three of the stalls are occupied, the rest are tumbling down, and an excellent young clergyman preaches to a few old people on fair Sundays.

The six leading places of worship are down town, in the locality known as the Four Corners, which is indeed the centre of quite a little city, progressive, cultivated, and wealthy. The Baptists, Congregationalists, and Episcopalians, and the Methodists and Unitarians, can hear each other sing; the Baptist minister can preach through his windows at the Episcopalians, though his periods are likely to be interrupted by the canticles. Through the rivalry of denominations, the people are religiously perplexed and bewildered to a degree beyond the belief of one who does not know the turmoil of faith which has followed the passing of Calvinism. No more does the father lead his wife and the children down the aisle to the family pew. He is an "orthodox" deacon, and has secret misgivings concerning the election of his wife; she is a Baptist, and is tormented by doubts as to the mode of her husband's admission into the fold of Christ. The boys trot horses on Sunday, and the daughter at night steals upstairs with her Prayer-Book to say family prayer—all alone.

The congregations are fluctuating. When there is an immersion at the Baptist church, or when a converted Turk gives a magic-lantern show there, pretty nearly all the people become Baptists. When the Congregationalists announce, by a large placard on the street, a concert by the town band, they may always expect a crowd. If there is no unusual attraction elsewhere, it is quite the custom for the Congregationalist young people after their Christian Endeavor meeting, and the Methodists after that of the Epworth League, to go to Evensong at the Episcopal chapel. Very few of the young men and women "belong" anywhere; they float about. But the older people, for the most part, and the clergy, are far from being careless in devotion to their respective denominations. On Christmas Day last, the ministers of all the churches met in the study of the Episcopal rector to consider the relief of the poor: it was the first time in the history of the town that they had ever been together.

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With the most sincere desire to rejoice in all that Christians of any name do for the advancement of the kingdom of heaven, I am bound to say that the Protestant bodies, for the most part, stand before the people as what are best described as religious clubs. I am not saying that they are not churches; what I regret is that they do not seem to claim to be churches, do not seem to care to be, nor to deport themselves as churches. It cannot be unkind to state, without comment, the facts as to the direction of their activity.

The prevailing interest in three of them at present is in the Boys' Brigade, an institution doubtless most valuable in getting hold of masses of boys in the cities, but which here pretends to be no more than a military club. During the winter it drills in the Congregationalist church; one Sunday evening a month, or so, is given up to it. One church has its membership organized into a dramatic society which gives such improving comedies as "The Fisherman's Luck" at the town hall. The others have associations for social enjoyment, usually holding weekly meetings, with entertainments and refreshments. Social suppers are weekly occurrences: they are much more frequent than the Communion. The Methodists pay the salary of their pastor largely by the proceeds of an annual clam-bake on Labor Day. The first act of the newly-installed Congregationalist minister was to announce a course of Sunday-evening lectures on such subjects as: "The White City"; "Health"; "Choosing a Partner"; "The Burial of an Ass." The Unitarian clergyman is given to Sunday addresses before the various societies of the town; one day it will be the Commercial Club, another day the firemen, another the insurance orders, and so on. Inevitably, through the lowering of the dignity of the services, caused by the competition of the denominations, reverence has disappeared, and the idea of worship has been almost lost. Few, indeed, kneel during prayer; the most that can be said is that nearly all listen with respect; after a prayer is done, ladies lean toward their neighbors and comment on its beautiful passages.

It is the most temperate of statements to say that the people do not see Christ's religion in its beauty and its dignity. They are led to think of the service of God's house as a performance; the minister who can get up the most entertaining programme has the best "house." A local weekly paper is issued to-day, and is before me. Let us see what idea of the doings of the churches a non-churchgoer gathers from its news items. He reads the announcement of courses

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of Sunday-evening stereopticon lectures in two of the most popular churches; a pleasant mention of the supper of the Baptist sewing-circle; a complimentary notice of the fine appearance of the young soldiers in full uniform in the Congregationalist church last Sunday evening; a description of the drill in the church on Friday night, followed by an exhibition of Indian-club swinging, "after which the pastor amused his auditors by a humorous reading"; and finally an account of a supper and dance in the Unity church on New Year's night. Now, however engaging from the point of view of entertainment, is such a picture all that could be desired by one spiritually hungry and thirsty? Is it one likely to attract men, say, of reasonable seriousness? It does not do so; it is merely the statement of mathematical facts to say that the lodges of Middleboro are stronger bodies than its churches, and to say that the men in either the Republican or the Democratic caucus of the town will outnumber those in all the religious societies combined.

If these plain statements of facts, catalogued thus, as they may be from common observation or from the newspapers of any of the small towns of New England, seem bitter reflections upon the religious life of its people, then it is time to make bitter reflections. If they do not seem bitter, then pray God some sharp tongue or pen may make it plain that the Church of Jesus Christ is not a drawing-room, a military camp, a concert-hall, or a kitchen! There are many pious souls in Middleboro and its sister towns who will read this with perplexity. Not knowing what the church life of a community may be and ought to be, they will wonder why these commonplaces are given in a tone which implies that they should anywhere be regarded as shocking or as even noteworthy. Would that they might be persuaded to set apart a few Sundays for devout meditation over the contrast between the picture afforded by this newspaper and the picture given by the chroniclers of the doings of the primitive church,—with that of the Didache, the Epistle to Diognetus, the idyllic Shepherd of Hermas, or with such as this of Justin Martyr. The church of which he writes knows no socials, nor concerts, nor battalion drills, nor humorous readings; it has nobler concerns.

"All who live in cities or in the country gather together to one place, and the memoirs of the Apostles or the writings of the Prophets are read as long as time permits; then, when the reader has ceased, the president verbally instructs, and exhorts to the imitation of these good things. Then we all together pray, and when our prayer is ended, bread and wine and water are brought, and

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the president in like manner offers prayers and thanksgivings according to his ability, and the people say 'Amen.' And there is a distribution to each, and a participation of that over which thanks have been given, and to those who are absent a portion is sent by the deacons. And the president succors the orphans and widows, and those who through sickness or any other cause are in want, and those who are in bonds, and the sojourner among us."

It is not at all an assumption which couples the distressing state of church life with the division of Christians. The humiliating spectacle of the place of worship made a place of entertainment is an inevitable result of the rivalry for numbers, springing from division. That which has been given is not a collection of generalities about modern religious conditions; it is a particular account of one town, above the average in intelligence, in opportunity for acquaintance with the progress of thought, but over which, as over all New England, is the curse of sectarianism. A multitude of bare, mean, uninviting, debt-laden churches; a confusion of dreary services varied by sensational exhibitions; half the women in New England and four men out of five paganized; the loss of all that makes the worship of our Father meaningful and inspiring; the loss of the sense of community; the loss of the strength which union of the intelligence, resources, and enthusiasm of an entire community gives; the destruction of comradeship among citizens; the ruin of dignified social life; the pauperization and humiliation of Christ's religion,—this is what the spirit of sectarianism is responsible for.

Can any one doubt what the reunion of the Church would mean for such a town as we have studied? Consider the material side alone. The six churches at the village centre own property easily aggregating in value one hundred and sixty thousand dollars; their maintenance is at an annual cost of not less than twenty-two thousand dollars. Can the imagination delight in a vision of the magnificent church, of the glorious service, rich in inspiring music and in eloquence from the lips of a staff of chosen ministers, which that investment and that annual expense would establish and support, without desiring its realization? What prayer and praise would mean again, with reunited families, with neighbors, with the whole town joining voices under one great roof, we who have never seen it can hardly conceive.

How shall the reunion of the Church be achieved? May I in one paragraph sketch my answer? By getting back to simple *affirmations*. The moment the sects can be persuaded to *lay aside the denials* they have been insisting upon, they will find that they are one in positive

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faith. Is it not true that the catechisms and the covenants and the books of discipline are made long by what they deny? The lengthy speculations of the Westminster Confession, and of the Thirty-nine Articles, now happily stricken out of the Prayer-Book, are all about negatives. They are all taken up with specifying who shall not be saved; how God does not work; of what is not lawful; of what is not to be believed; they are overloaded with attempts to define and denounce error.

What a contrast is the Catholic Creed! In that, either in its Apostolic—so called—or its Nicean form, I see the possibility of union. It is not concerned to state negatives, to thunder prohibitions, to fix limits, even to point out error. It has a calm confidence that the best way to crush out falsehood is to state the truth, and it makes a few bold all-embracing affirmations, and is content. Souls grow weary and burdened with a sense of dishonesty in the effort to continue assent to long articles of denial; one day they will learn that they may come, and find rest and peace and union in this short, simple symbol which from beginning to end is, "I believe." In the spirit of that creed, which affirms, which refuses to deny, let the Baptist affirm as long as he will the virtue of immersion, but let him cease denying the validity of poured water. Let the Congregationalist continue to maintain that men learn God by sudden and extraordinary revelation, but let him cease denying that also many men grow into His knowledge gradually and naturally. By all means let the Methodist never stop proclaiming that God is in His world, giving "peculiar incitements to holiness," but let him stop denying that these come as well under the orderly service of God's house as under the fervid oratory of an itinerant evangelist. Let the Episcopalian cling to his bishops, without denying the validity of presbyterian orders, and let the Presbyterian admit episcopal ordination, without yielding his own mode: co-ordination, episcopal and presbyterian, could easily be arranged. Let the Unitarian continue to present the human side of the nature of Christ, but let him cease denying its divine side. Is it all too much to ask? Let the Roman Catholic—Ah! what of the Roman Catholic?

There has been a signal failure to appreciate the attitude of the Roman church, not only toward the subject of organic Christian union, but also toward *extra*-Roman bodies, on the question as to the essentials of faith. The best Romanists would make something like this as a statement of the position of their church. It may not seem

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exactly pertinent to the question of union, but they would esteem it so. "There are but two classes of men in the world to-day, as there have always been: Catholics, and Infidels—otherwise Agnostics. You see sweeping over the world to-day a tidal wave of agnosticism. Schopenhauerism, Huxleyism, Briggsism are all parts of it. There is on earth but one body which is firm in the midst of the storm; it stands like a rock defying and beating back the waves. It is the Catholic Church. All the contests of men over spiritual things are, at bottom, this: a contest between faith and the refusal to have faith. We stand for faith."

The Roman Catholic is right—so far. He has a position which makes a strong appeal to the heroic emotions and to the common sense of men. But he goes on; he insists that he must assign that faith its contents, and now it has ceased to be a contest between faith and infidelity; it has become one between authority and freedom of thought. Between these two no successful appeal in behalf of authority can be made to Americans certainly. In other words, holding with faith against agnosticism, the man of spirit claims the right to decide for himself whether Briggsism and Huxleyism are systems of faith or of agnosticism.

A priest near to Archbishop Williams has repeatedly assured me that he is commissioned to baptize, to give the Communion and Extreme Unction to, one who would only assent to the Apostles' Creed; that, he has reiterated, is the sole and sufficient statement of the faith of his church. Could I say that, in those words, without fear of contradiction from the Archbishop, or the Ablegate, or Cardinal Gibbons? Without fear of contradiction,—such is the simple requirement apparently made by the Roman Catholic church. What fairer proposition could be desired? What Christian can want less than that as a basis for unity? It is a smaller requirement than the Lambeth platform, with its troublesome mention of the historical episcopate, makes. But the Roman Catholic means to assume that, when you accept his creed, you subscribe to that which he has the right to interpret. Accordingly, he interprets. In accepting as infallible truth the words of the Apostles,—for he assumes that the Apostles composed the creed,—you have accepted the doctrine of the Apostolic, that is to say, of the church's, infallibility. The church having chosen to lodge this in the Bishop of Rome, you have subscribed to the dogma of Papal Infallibility. In the clause "born of the Virgin Mary," the infallible church finds the complete dogma of

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the Immaculate Conception of the Blessed Virgin. In like manner the doctrine of angels, of sacrifice, of the mass, of purgatory, of indulgences, and so forth, are extracted from the Apostolic symbol. All these, therefore, and not what a simple man would understand the creed to mean, are articles of catholic faith. The Latin church can abandon none of them without discrediting its whole system. It has no thought of abandonment. It makes no concessions in behalf of union when it professes to surrender all but the creed, for in reserving the right of interpretation it has reserved all. The Roman church simply must regard schism as schism from itself, and union as a return home—to itself—of the wandering sons. It has no compromise to propose; no terms to offer. It can accept none which may be offered. Practically, Roman Catholic prelates have no expectation of winning American Protestants in any numbers to the dogmas of Infallibility, the Immaculate Conception, and to the doctrine of indulgences: those are the three to which they find the sternest opposition. Their position is admirably consistent, and, for the present, heroically hopeless.

Catholics not under the yoke of the Roman obedience have first to achieve their union. There are for them many fair signs in the heavens. A very few years may see the Old Catholic, the English, and the Greek churches in communion, with the walls that divide the household of Christ into so many sects—the walls of denials—falling. The last to be won into the Catholic Church will be that which Dr. A. V. G. Allen, with exquisite humor, is accustomed to refer to as the Italian schism.

WILLIAM BAYARD HALE.

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THE PROGRAMME OF THE NATIONALISTS.

I HAVE been asked to give some account of Nationalism, with a statement of its programme and of the first steps to be taken in the logical development of the plan, with especial reference to America, though it is of course to be observed that the economic situation in the United States differs from that in older nations only in the suddenness with which oppressive conditions have been developed which in Europe are of ancient standing.

Nationalism is economic democracy. It proposes to deliver society from the rule of the rich, and to establish economic equality by the application of the democratic formula to the production and distribution of wealth. It aims to put an end to the present irresponsible control of the economic interests of the country by capitalists pursuing their private ends, and to replace it by responsible public agencies acting for the general welfare. That is to say, it is proposed to harmonize the industrial and commercial system with the political, by bringing the former under popular government, as the latter has already been brought, to be administered as the political government is, by the equal voice of all for the equal benefit of all. As political democracy seeks to guarantee men against oppression exercised upon them by political forms, so the economic democracy of Nationalism would guarantee them against the much more numerous and grievous oppressions exercised by economic methods. The economic democracy of Nationalism is indeed the corollary and necessary supplement of political democracy, without which the latter must forever fail to secure to a people the equalities and liberties which it promises.

The conditions which justify the present Nationalist agitation, especially in America, may be broadly stated in brief terms.

It is certainly self-evident that the manner of the organization and administration of the economic system which regulates the production and distribution of wealth, whereupon not only the entire welfare but even the bare lives of all depend, is infinitely more important to a people than the manner in which any other part of

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their affairs is regulated. The economic system of the United States was formerly, and within the memory of men now living, one which offered a fairly free field to individual enterprise, with some opportunity for all to acquire a comfortable livelihood if not wealth; and in consequence of this fact, despite many inequalities of condition, a good degree of popular contentment has until recent times prevailed.

By an economic revolution unprecedented in scope and rapidity of movement, these former conditions have been within the time of one generation, and chiefly within twenty years, completely transformed. In place of a field of free competition with a fair opportunity for individual initiative in every direction, our economic system now presents the aspect of a centralized government, or group of governments, administered by great capitalists and combinations of capitalists, who monopolize alike the direction and the profits of the industries of the people.

Although the economic rulers who have thus crushed out individual enterprise in this country control interests incomparably more important to the people than are the functions exercised by the so-called political government, yet, while our political governors hold power only by delegation from the people, and are strictly accountable to them for its exercise, those rulers who administer the economic government of the country, and hold the livelihood of the people in their hands, are not elected or in any way delegated to do so by the people, and admit no accountability to them for the manner in which they exercise their power.

Scorning the decent hypocrisies by which other sovereigns have been wont to cloak their pretensions, the capitalists who have mastered our economic government do not justify their rule by pretending either the divine right of kings, the consent of the governed, or even a benevolent intention toward their subjects. They claim no other title to power than their ability to suppress resistance, and expressly avow personal gain as the sole motive of their policy. In pursuance of this end the administration of the economic government of the country has been so conducted as to concentrate in the hands of an insignificant proportion of the people the bulk of the wealth which must furnish the general means of subsistence.

Fifty years ago, when, with the application of steam to machinery, the power of capital relatively to labor was suddenly multiplied, this country was held to be the ideal democracy of history on account of the prevailing equality in the distribution of

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wealth, and the general contentment and public spirit on the part of the people consequent thereon. At the present time 31,000 men are reputed to possess one-half of the wealth upon which 65,000,000 persons depend for existence, and the greater part of the other half is owned by a small additional fraction of the population, leaving the vast numerical majority of the nation without any considerable stake in the country. By the latest estimates, based upon the returns of the census of 1890, 9 per cent of the population of the United States owns 71 per cent of the wealth of the country, leaving but 29 per cent to the remaining 91 per cent of the population; and 4,074 persons or families, being the richest group among the 9 per cent mentioned, own one-fifth of the total wealth of the country, or nearly as much as the aggregate holdings of 91 per cent of the people.

History records no expropriation of a nation so complete as this, effected within so short a time, since the ages when military conquest meant the wholesale confiscation of the goods and persons of the conquered people. The populations of Europe, indeed, groan under similar conditions, but with them they are the heritage of past ages, not, as in America, the result of an economic revolution effected within one lifetime.

This draining of the nation's wealth to enrich a petty class has produced extraordinary social changes and portends more disastrous ones. Our farming population, constituting the bulk of the people, and in the past the most prosperous and contented portion, the main support of the republic in peace and war, has been converted by intolerable economic pressure, and the prospect of being reduced to the condition of a peasantry, into the most revolutionary class in the nation. The transformation in the condition of the artisans has not been less disastrous. With the consolidation of capital in vast masses under corporate management, all that was humane in the relation of employer and employed has disappeared, and mutual suspicion and hatred and an attitude of organized hostility have taken their place. It has become the chief function of the militia to overawe strikers and suppress the disturbances of discontented workingmen. We are being taught by object-lessons of startling frequency that our industrial system, like the political systems of Europe, rests, in the end, upon the bayonet. The old-world caste distinctions of upper, lower, and middle classes,—terms abhorrent to our fathers,—are being rapidly adopted among us, and mark only too justly the disintegration of

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our once integral and coherent communities into mutually embittered elements which the iron bands of political despotism will soon be needed to hold together in a State.

In view of this situation, which has resulted from the conquest and exploitation of our economic system by an irresponsible and despotic oligarchy, Nationalists maintain that if the people of the United States would retain any part of the high estate of equality, liberty, and material welfare which formerly made them the world's envy, it is full time for them, in the exercise of their supreme power over governments and institutions, to make an end of the usurpation which has so imperilled their condition, and to establish in its place a new system of economic administration, "laying its foundation in such principles, and organizing its powers in such form, as shall to them seem most likely to effect their safety and happiness."

What sort of an industrial and economic government shall the people establish in place of the present irresponsible rule of the rich? The question answers itself to a certain extent; for, if the people establish the government, manifestly it must be a popular government. But another question remains. Shall this government be exercised by the people individually or collectively? Shall we seek to restore the state of things which existed half a century and more ago, when independent individual enterprise was the rule in every field of industry and commerce, and a hundred competitive concerns did the business now attended to by one? Even if it were desirable to bring back that era, it would be as much out of the question as to restore the virgin continent, the boundless resources, the unoccupied lands, and the other material conditions that made it possible.

The industrial system that is to employ and maintain our dense population, under the present and future conditions of the country, must be a systematized, centralized, interlocking economic organization of the highest efficiency. It is a physical impossibility to restore to the people, as individuals, the government of their economic interests; but it is feasible to bring it under their collective control, and that is the only possible alternative to economic oligarchy or, as it is called, plutocracy. This is the programme of Nationalism. We hold that the industrial system of a nation, like its political system, ought to be a government of the people, by the people, for the people, and for all of them equally. To that end we desire to see organized as public business all the industrial and commercial affairs of the people, so that they may be carried on henceforth, like

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all other public business, by responsible public agents, for the equal benefit of the citizens.

This plan is called Nationalism because it proceeds by the nationalization of industries, including, as minor applications of the same principle, the municipalization and State control of localized businesses.

Socialism implies the socializing of industry. This may or may not be based upon the national organism, and may or may not imply economic equality. As compared with socialism, Nationalism is a definition not in the sense of opposition or exclusion, but of a precision rendered necessary by a cloud of vague and disputed implications historically attached to the former word.

Perhaps the most common objection to the plan of nationalizing industry and carrying it on as public business is that it will involve more government. It is not so. Nationalization will simply substitute one sort of government for another. The industrial system which has grown up in the United States is, as we have shown, a government of the most rigid and despotic sort. In place of the irresponsible masters who now rule the economic interests of the people with a rod of iron, Nationalism will substitute popular-self-government. Thomas Jefferson is quoted as saying that the government that governs least is best. This is a true maxim, and the government that governs least is self-government. That was what the signers of the American Declaration of Independence thought when they insisted on setting up a government of their own in spite of King George's willingness to manage their affairs for them. That is what Nationalists think in advocating popular government of the people's industrial interests in place of the present economic oligarchy.

It will tend to a clear understanding of the programme of Nationalism if we distinguish carefully between the features of the plan considered as fully carried out, and as in process of introduction. Many of the most certain and necessary consequences of Nationalism when fully carried out, must remain till then quite impracticable. Among these is the principle of the indefeasible economic equality of all citizens, without regard, of course, to sex.

Economic equality is the obvious corollary of political equality as soon as the economic system is democratized. Quite apart from ethical considerations in its favor, it follows, as a matter of course, from the equal voice of all in determining the method of distribution. Whatever a democratic State undertakes must be undertaken

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for the common—that is the equal—benefit of all. The European socialists, or a large part of them, do not insist upon economic equality, but allow economic variations in the ideal State. This is because they do not, like the Nationalists, deduce their conclusions by the rigid application of the democratic idea to the economic system. But while economic equality is the keystone of Nationalism, it must wait till the nation has fully organized its productive system. The arch must be finished before the keystone is placed, though after it is placed the stability of the arch depends upon it.

While Nationalists recognize as legitimate the demand for something definite in the way of a programme from a party of radical reform, it is not to be inferred that they pretend to forecast with exactness the course of events. Great revolutions, however peaceful they may be, do not follow prearranged plans, but make channels for themselves of which we may at best predict the general direction and outcome. Meanwhile Nationalists would prepare the way by a step-by-step extension of the public conduct of business, which shall go as fast or as slow as public opinion may determine.

In making any industry or service public business, two ends should be kept equally in view, viz: first, the benefit of the public by more cheap, efficient, and honest service or commodities; and second, but as an end in every way equally important, the immediate amelioration of the condition of workers taken over from private into public service. As to the first point, whenever a service or business is taken over to be publicly conducted, it should be managed strictly at cost; that is to say, the service or product should be furnished at the lowest cost that will pay the expense and proper charges of the business. Nationalism contemplates making all production for use and not for profit, and every nationalized business should be a step in that direction by eliminating profit so far as it is concerned.

As to the improvement in the condition of the workers, which is the other and equal end to be sought in all cases of nationalizing a business, it is enough to say that the State should show itself the model employer. Moderate hours of labor, healthful and safe conditions, with provision for sickness, accident, and old age, and a system for the admission, promotion, and discharge of employees strictly based on merit, and absolutely exclusive of all capricious personal interference for political or other reasons, should characterize all publicly conducted business from the start. In particular cases, such as the

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clothing manufacture now so largely carried on by sweaters' slaves, decent wages and conditions might temporarily raise the price of ready-made clothing. If it did, it would only show how necessary it had been to make the business a State monopoly; and we may add that, on grounds of humanity, this is one of the first that should be brought under public management.

As to the general question as to the order in which different branches of business should be nationalized, or (which is the same thing) brought under municipal or State control, ownership, and operation, Nationalists generally agree that chartered businesses of all sorts, which, as holding public franchises, are already quasi-public services, should first receive attention. Under this head come telegraphs and telephones, railroads both local and general, municipal lighting, water-works, ferries, and the like. The railroads alone employ some 800,000 men, and the employees in the other businesses mentioned may raise that figure to 1,000,000, representing perhaps a total population of 4,000,000; certainly a rather big slice of the nation to begin with. These businesses would carry with them others. For example, the railroads are the largest consumers of iron and steel, and national operation of them would naturally carry with it the national operation of the larger part of the iron business. There are about 500,000 ironworkers in the country, implying a population of perhaps 2,000,000 dependent on the industry, and making, with the railroad and other employees and their dependents, some 6,000,000 persons. The same logic would apply to the mining of coal, with which, as carrier and chief consumer, the railroads are as closely identified.

The necessity of preserving what is left of our forests will soon force all the States to go into the forestry business, which may well be the beginning of public operation of the lumber industry. If our fast-vanishing fisheries are to be protected, not merely national supervision, but national operation, will soon be necessary.

In the field of general business, the trusts and syndicates which have so largely stimulated the popular demand for Nationalism have also greatly simplified its progress. Whenever the managers of any department of industry or commerce have, in defiance of law and public interest, formed a monopoly, what is more just and proper than that the people themselves, through their agents, should take up and conduct the business in question at cost? In view of the fact that most of the leading branches of production have now been "syndi-

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cated," it will be seen that this suggestion, fully carried out, would go far toward completing the plan of Nationalization.

Meanwhile the same process would be going on upon other lines. Foreign governments which have large armies, in order to secure quality and cheapness, usually manufacture their soldiers' clothing, rations, and various supplies in government factories. The British government, which is most like our own, was forced by the swindling of contractors to go into making clothing for the soldiers in the Crimean War, and has since kept it up with most admirable results. If our government had manufactured the soldiers' supplies in the Civil War, it would have saved a vast sum of money. It is highly desirable that it should forthwith begin to manufacture clothing and other necessaries for its soldiers and sailors, and for any other of its employees who might choose to be so served, as it is safe to say all would; for goods as represented, proof against adulteration, and furnished at cost, would be a godsend even to a millionaire in these days of knavish trade. This policy of supplying the needs of government employees with the product of publicly conducted industries would bring about the whole productive and distributive plan of Nationalism in proportion as the number of employees increased.

Among special lines of business which ought at once to be brought under public management are the liquor traffic and fire- and life-insurance. It is proposed that every State should immediately monopolize the liquor traffic within its borders, and open places of sale in such localities as desire them. The liquors should be sold at cost,—that is to say, at rates to pay all expenses of the system,—by State agents, whose compensation should be fixed without relation, direct or indirect, to the amount of sales. This plan would eliminate desire of profit as a motive to stimulate sales, would ensure a strict regard to all conditions and requirements of law, and would guarantee pure liquors. Pending the nationalization of the manufacture of liquors, the general government need be called on only for a transportation law protecting the States against illegal deliveries within their borders.

As to State life- and fire-insurance, this undertaking would need no plant and no backing save the State's credit on long-tested calculations of risks. It would be done at cost, in State buildings, by low-salaried officials, and without any sort of competitive or advertising expenses. This would mean a saving to fire-insurers of at least 25 per cent in premiums, and of at least 50 per cent to life-insurers,

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and would, above all, give insurance that was not itself in need of being reinsured.

When private plants are taken over by a city, state, or nation, they should of course be paid for; the basis of valuation being the present cost of a plant of equal utility. Of course this subject of compensation should be considered in view of the fact that the ultimate effect of Nationalism will be the extinction of all economic superiorities, however derived.

The organization of the unemployed on a basis of State-supervised coöperation is an urgent undertaking in line with the programme of Nationalism. The unemployed represent a labor force which only lacks organization to be abundantly self-sustaining. It is the duty and interest of the State to so organize the unemployed, according to their several trades and aptitudes,—the women workers as well as the men,—that their support shall be provided for out of their own product, which should not go upon the market for sale, but be wholly consumed within the circle of the producers, thus in no way deranging outside prices or wages. This plan contemplates the unemployed problem as being a permanent one, with periods of special aggravation, and as therefore demanding for its solution a permanent and elastic provision for a circle of production and consumption complete in itself and independent of the commercial system. There is no other method for dealing with the unemployed problem which does not mock it.

In proportion as the industries, commerce, and general business of the country are publicly organized, the sources of the power and means of the growth of the plutocracy, which depend upon the control and revenues of industry, will be undermined and cut off. In the same measure, obviously, the regulation of the employment of the people and the means of providing for their maintenance will pass under their collective control. To complete the plan of Nationalism by carrying out its guarantee of equal maintenance to all, with employment according to fitness, will require only a process of systematization and equalizing of conditions under an already unified administration.

The work of Nationalists has hitherto been chiefly educational. This must necessarily have been the case from the magnitude of the scheme, requiring, as it does, something like national acceptance for the undertaking of its larger features. In the department, especially, of local public services, such as water-works, lighting, transit, and

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the like, something like a wave of feeling in favor of the municipalization of such undertakings has within three years swept over the country, and, far from subsiding, is swelling into a tide. In nearly every progressive community there has sprung up within a few years a more or less strong nucleus of citizens which meets every fresh oppression of chartered corporations with the demand for public operation. The insolent taunt of intrenched monopoly—"What are you going to do about it?"—no longer strikes the people dumb. An answer is on every lip, and it is—Nationalism! The sudden recent advance to the first rank among the topics of the day, in the news and periodical press, of the questions of the public operation of commerce and business as a remedy for capitalistic abuse, is of course the best general evidence of the extent to which the public mind is occupied with this subject.

Doubtless, however, the most startling single demonstration of the rapidity and solidity of the growth of Nationalism is the fact that in the Presidential campaign of 1892 more than one million votes were polled for the People's Party, the platform of which embodied the most important features of the immediate Nationalist programme as above stated. That even this platform was not radical enough to satisfy a large portion of the party and its sympathizers, has been made evident by the far more advanced ground taken subsequently by State and local conventions, by the great labor organizations in their national and local assemblies, and by the Farmers' Alliances. Indeed the statement may be safely made, that, so far as the economic and industrial discontent in this country has hitherto found definite expression, it has taken the form of demands for the more or less complete application of the nationalization idea to business. This is simply because there is found to be, upon examination, no other way out.

Persons whose minds are first directed to Nationalism often miss the point by failing to see that it is inevitable, as the only alternative of plutocracy, if the latter is not to triumph. Such persons are wont to regard the nationalization or public conduct of industry as merely one economic device, among many, to be compared with the rest as more or less attractive or ingenious. They fail to perceive that it is the necessary and only method by which a solution of the economic question can be secured which shall be democratic in character. Many who sincerely believe—or think they do—in popular government and the democratic idea as a general principle, would

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doubtless see this question differently if they took time to consider that by the very meaning of the terms the public management of industry is the substitution of popular for class and personal government, and that in opposing it they stand squarely against the democratic idea and in favor of oligarchical rule in the most extensive and important department of human interests.

There are two principles on which the blended affairs of human beings in society may be regulated: Government by all for all, and Government by a few for a few. The time is at hand when it is to be determined whether the one principle or the other shall henceforth regulate the organization of human labor and the distribution of its fruits. The countless past combats in the immemorial struggle of the many against the few, whether for personal, religious, or political liberty, have but cleared the way and led up to this all-embracing, all-concluding issue, now being joined the world over. It is the decisive battle to which all the former engagements were but preliminary skirmishes.

Not in many ages, surely,—perhaps never,—have men and women, during their brief probations on earth, had an opportunity to make so momentous a mistake as those will who take the wrong side in this battle.

EDWARD BELLAMY.

Mr. Bellamy's doctrine is presented in his well-known book "Looking Backward." Articles on the subject have appeared in THE FORUM, October, 1890, and in the "Contemporary Review," London, July, 1890.

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THE ABSURD EFFORT TO MAKE THE WORLD OVER.

It will not probably be denied that the burden of proof is on those who affirm that our social condition is utterly diseased and in need of radical regeneration. My task at present, therefore, is entirely negative and critical; to examine the allegations of fact and the doctrines which are put forward to prove the correctness of the diagnosis and to warrant the use of the remedies proposed.

The propositions put forward by social reformers nowadays are chiefly of two kinds. There are assertions in historical form, chiefly in regard to the comparison of existing with earlier social states, which are plainly based on defective historical knowledge, or at most on current stock historical dicta which are uncritical and incorrect. Writers very often assert that something never existed before because they do not know that it ever existed before, or that something is worse than ever before because they are not possessed of detailed information about what has existed before. The other class of propositions consists of dogmatic statements, which, whether true or not, are unverifiable. This class of propositions is the pest and bane of current economic and social discussion. Upon a more or less superficial view of some phenomenon a suggestion arises which is embodied in a philosophical proposition and promulgated as a truth. From the form and nature of such propositions they can always be brought under the head of "ethics." This word at least gives them an air of elevated sentiment and purpose, which is the only warrant they possess. It is impossible to test or verify them by any investigation or logical process whatsoever. It is therefore very difficult for any one who feels a high responsibility for historical statements, and who absolutely rejects any statement which is unverifiable, to find a common platform for discussion, or to join issue satisfactorily in taking the negative.

When any one asserts that the class of skilled and unskilled manual laborers of the United States are worse off now in respect to diet, clothing, lodgings, furniture, fuel, and lights; in respect to the

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age at which they can marry; the number of children they can provide for; the start in life which they can give to their children; and their chances of accumulating capital,—than they ever have been at any former time, he makes a reckless assertion for which no facts have been offered in proof. Upon an appeal to facts, the contrary of this assertion would be clearly established. It suffices, therefore, to challenge those who are responsible for the assertion to make it good.

If it is said that the employed class are under much more stringent discipline than they were thirty years ago or earlier, it is true. It is not true that there has been any qualitative change in this respect within thirty years, but it is true that a movement which began at the first settlement of the country has been advancing with constant acceleration, and has become a noticeable feature within our time. This movement is the advance in the industrial organization. The first settlement was made by agriculturists, and for a long time there was scarcely any organization. There were scattered farmers, each working for himself, and some small towns with only rudimentary commerce and handicrafts. As the country has filled up, the arts and professions have been differentiated and the industrial organization has been advancing. This fact and its significance has hardly been noticed at all; but the stage of the industrial organization existing at any time, and the rate of advance in its development, are the absolutely controlling social facts. Nine-tenths of the socialistic and semi-socialistic, and sentimental or ethical, suggestions by which we are overwhelmed come from failure to understand the phenomena of the industrial organization and its expansion. It controls us all because we are all in it. It creates the conditions of our existence, sets the limits of our social activity, regulates the bonds of our social relations, determines our conceptions of good and evil, suggests our life philosophy, moulds our inherited political institutions, and reforms the oldest and toughest customs, like marriage and property. I repeat that the turmoil of heterogeneous and antagonistic social whims and speculations in which we live is due to the failure to understand what the industrial organization is, and its all-pervading control over human life, while the traditions of our schools of philosophy lead us always to approach the industrial organization, not from the side of objective study, but from that of philosophical doctrine. Hence it is that we find that the method of measuring what we see happening by what are called ethical standards, and of proposing to attack the phenomena by methods thence deduced, is so popular.

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The advance of a new country from the very simplest social co-ordination up to the highest organization is a most interesting and instructive chance to study the development of the organization. It has of course been attended all the way along by stricter subordination and higher discipline. All organization implies restriction of liberty. The gain of power is won by narrowing individual range. The methods of business in colonial days were loose and slack to an inconceivable degree. The movement of industry has been all the time toward promptitude, punctuality, and reliability. It has been attended all the way by lamentations about the good old times; about the decline of small industries; about the lost spirit of comradeship between employer and employee; about the narrowing of the interests of the workman; about his conversion into a machine or into a "ware"; and about industrial war. These lamentations have all had reference to unquestionable phenomena attendant on advancing organization. In all occupations the same movement is discernible,—in the learned professions, in schools, in trade, commerce, and transportation. It is to go on faster than ever, now that the continent is filled up by the first superficial layer of population over its whole extent, and the intensification of industry has begun. The great inventions both make the intension of the organization possible, and make it inevitable, with all its consequences, whatever they may be. I must expect to be told here, according to the current fashions of thinking, that we ought to control the development of the organization. The first instinct of the modern man is to get a law passed to forbid or prevent what, in his wisdom, he disapproves. A thing which is inevitable, however, is one which we cannot control. We have to make up our minds to it, adjust ourselves to it, and sit down to live with it. Its inevitableness may be disputed, in which case we must re-examine it; but if our analysis is correct, when we reach what is inevitable we reach the end, and our regulations must apply to ourselves, not to the social facts.

Now the intensification of the social organization is what gives us greater social power. It is to it that we owe our increased comfort and abundance. We are none of us ready to sacrifice this. On the contrary, we want more of it. We would not return to the colonial simplicity and the colonial exiguity if we could. If not, then we must pay the price. Our life is bounded on every side by conditions. We can have this, if we will agree to submit to that. In the case of industrial power and product the great condition is com-

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bination of force under discipline and strict co-ordination. Hence the wild language about wage-slavery and capitalistic tyranny.

In any state of society no great achievements can be produced without great force. Formerly great force was attainable only by slavery aggregating the power of great numbers of men. Roman civilization was built on this. Ours has been built on steam. It is to be built on electricity. Then we are all forced into an organization around these natural forces and adapted to the methods or their application; and although we indulge in rhetoric about political liberty, nevertheless we find ourselves bound tight in a new set of conditions, which control the modes of our existence and determine the directions in which alone economic and social liberty can go.

If it is said that there are some persons in our time who have become rapidly and in a great degree rich, it is true; if it is said that large aggregations of wealth in the control of individuals is a social danger, it is not true.

The movement of the industrial organization which has just been described has brought out a great demand for men capable of managing great enterprises. Such have been called "captains of industry." The analogy with military leaders suggested by this name is not misleading. The great leaders in the development of the industrial organization need those talents of executive and administrative skill, power to command, courage, and fortitude, which were formerly called for in military affairs and scarcely anywhere else. The industrial army is also as dependent on its captains as a military body is on its generals. One of the worst features of the existing system is that the employees have a constant risk in their employer. If he is not competent to manage the business with success, they suffer with him. Capital also is dependent on the skill of the captain of industry for the certainty and magnitude of its profits. Under these circumstances there has been a great demand for men having the requisite ability for this function. As the organization has advanced, with more impersonal bonds of coherence and wider scope of operations, the value of this functionary has rapidly increased. The possession of the requisite ability is a natural monopoly. Consequently, all the conditions have concurred to give to those who possessed this monopoly excessive and constantly advancing rates of remuneration.

Another social function of the first importance in an intense organization is the solution of those crises in the operation of it which are called the conjuncture of the market. It is through the market

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that the lines of relation run which preserve the system in harmonious and rhythmical operation. The conjuncture is the momentary sharper misadjustment of supply and demand which indicates that a redistribution of productive effort is called for. The industrial organization needs to be insured against these conjunctures, which, if neglected, produce a crisis and catastrophe; and it needs that they shall be anticipated and guarded against as far as skill and foresight can do it. The rewards of this function for the bankers and capitalists who perform it are very great. The captains of industry and the capitalists who operate on the conjuncture, therefore, if they are successful, win, in these days, great fortunes in a short time. There are no earnings which are more legitimate or for which greater services are rendered to the whole industrial body. The popular notions about this matter really assume that all the wealth accumulated by these classes of persons would be here just the same if they had not existed. They are supposed to have appropriated it out of the common stock. This is so far from being true that, on the contrary, their own wealth would not be but for themselves; and, besides that, millions more, many-fold greater than their own, scattered in the hands of thousands, would not exist but for them.

Within the last two years I have travelled from end to end of the German Empire several times on all kinds of trains. I reached the conviction, looking at the matter from the passenger's standpoint, that, if the Germans could find a Vanderbilt, and put their railroads in his hands for twenty-five years, letting him reorganize the system and make twenty-five million dollars out of it for himself in that period, they would make an excellent bargain.

But it is repeated until it has become a commonplace which people are afraid to question, that there is some social danger in the possession of large amounts of wealth by individuals. I ask, why? I heard a lecture two years ago by a man who holds perhaps the first chair of political economy in the world. He said, among other things, that there was great danger in our day from great accumulations; that this danger ought to be met by taxation, and he referred to the fortunes of the Rothschilds and to the great fortunes made in America, to prove his point. He omitted, however, to state in what the danger consisted, or to specify what harm has ever been done by the Rothschild fortunes or by the great fortunes accumulated in America. It seemed to me that the assertions he was making, and the measures he was recommending, *ex cathedra*, were very serious to be thrown out

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so recklessly. It is hardly to be expected that novelists, popular magazinists, amateur economists, and politicians will be more responsible. It would be easy, however, to show what good is done by accumulations of capital in a few hands,—that is, under close and direct management, permitting prompt and accurate application; also to tell what harm is done by loose and unfounded denunciations of any social component or any social group. In the recent debates on the income tax, the assumption that great accumulations of wealth are socially harmful and ought to be broken down by taxation was treated as an axiom, and we had direct proof how dangerous it is to fit out the average politician with such unverified and unverifiable dogmas, as his warrant for his modes of handling the direful tool of taxation.

Great figures are set out as to the magnitude of certain fortunes and the proportionate amount of the national wealth held by a fraction of the population, and eloquent exclamation-points are set against them. If the figures were beyond criticism, what would they prove? Where is the rich man who is oppressing anybody? If there was one, the newspapers would ring with it. The facts about the accumulation of wealth do not constitute a plutocracy, as I will show below. Wealth, in itself considered, is only power, like steam, or electricity, or knowledge. The question of its good or ill turns on the question how it will be used. To prove any harm in aggregations of wealth it must be shown that great wealth is, as a rule, in the ordinary course of social affairs, put to a mischievous use. This cannot be shown beyond the very slightest degree, if at all.

Therefore, all the allegations of general mischief, social corruption, wrong, and evil in our society must be referred back to those who make them, for particulars and specifications. As they are offered to us we cannot allow them to stand, because we discern in them faulty observation of facts, or incorrect interpretation of facts, or a construction of facts according to some philosophy, or misunderstanding of phenomena and their relations, or incorrect inferences, or crooked deductions.

Assuming, however, that the charges against the existing "capitalistic"—that is, industrial—order of things are established, it is proposed to remedy the ill by reconstructing the industrial system on the principles of democracy. Once more we must untangle the snarl of half ideas and muddled facts.

Democracy is, of course, a word to conjure with. We have a

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democratic-republican political system, and we like it so well that we are prone to take any new step which can be recommended as "democratic," or which will round out some "principle" of democracy to a fuller fulfilment. Everything connected with this domain of political thought is crusted over with false historical traditions, cheap philosophy, and undefined terms, but it is useless to try to criticise it. The whole drift of the world for five hundred years has been toward democracy. That drift, produced by great discoveries and inventions, and by the discovery of a new continent, has raised the middle class out of the servile class. In alliance with the crown they crushed the feudal classes. They made the crown absolute in order to do it. Then they turned against the crown, and, with the aid of the handicraftsmen and peasants, conquered it. Now the next conflict which must inevitably come is that between the middle capitalist class and the proletariat, as the word has come to be used. If a certain construction is put on this conflict, it may be called that between democracy and plutocracy, for it seems that industrialism must be developed into plutocracy by the conflict itself. That is the conflict which stands before civilized society to-day. All the signs of the times indicate its commencement, and it is big with fate to mankind and to civilization.

Although we cannot criticise democracy profitably, it may be said of it, with reference to our present subject, that up to this time democracy never has done anything, either in politics, social affairs, or industry, to prove its power to bless mankind. If we confine our attention to the United States, there are three difficulties with regard to its alleged achievements, and they all have the most serious bearing on the proposed democratization of industry.

1. The time during which democracy has been tried in the United States is too short to warrant any inferences. A century or two is a very short time in the life of political institutions, and if the circumstances change rapidly during the period the experiment is vitiated.

2. The greatest question of all about American democracy is whether it is a cause or a consequence. It is popularly assumed to be a cause, and we ascribe to its beneficent action all the political vitality, all the easiness of social relations, all the industrial activity and enterprise which we experience, and which we value and enjoy. I submit, however, that, on a more thorough examination of the matter, we shall find that democracy is a consequence. There are economic and sociological causes for our political vitality and vigor, for the

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ease and elasticity of our social relations, and for our industrial power and success. Those causes have also produced democracy, given it success, and have made its faults and errors innocuous. Indeed, in any true philosophy, it must be held that in the economic forces which control the material prosperity of a population lie the real causes of its political institutions, its social class-adjustments, its industrial prosperity, its moral code, and its world-philosophy. If democracy and the industrial system are both products of the economic conditions which exist, it is plainly absurd to set democracy to defeat those conditions in the control of industry. If, however, it is not true that democracy is a consequence, and I am well aware that very few people believe it, then we must go back to the view that democracy is a cause. That being so, it is difficult to see how democracy, which has had a clear field here in America, is not responsible for the ills which Mr. Bellamy and his comrades in opinion see in our present social state, and it is difficult to see the grounds of asking us to entrust it also with industry. The first and chief proof of success of political measures and systems is that, under them, society advances in health and vigor, and that industry develops without causing social disease. If this has not been the case in America, American democracy has not succeeded. Neither is it easy to see how the masses, if they have undertaken to rule, can escape the responsibilities of ruling, especially so far as the consequences affect themselves. If, then, they have brought all this distress upon themselves under the present system, what becomes of the argument for extending the system to a direct and complete control of industry?

3. It is by no means certain that democracy in the United States has not, up to this time, been living on a capital inherited from aristocracy and industrialism. We have no pure democracy. Our democracy is limited at every turn by institutions which were developed in England in connection with industrialism and aristocracy, and these institutions are of the essence of our system. While our people are passionately democratic in temper, and will not tolerate a doctrine that one man is not as good as another, they have common sense enough to know that he is not; and it seems that they love and cling to the conservative institutions quite as strongly as they do to the democratic philosophy. They are, therefore, ruled by men who talk the philosophy and govern by the institutions. Now it is open to Mr. Bellamy to say that the reason why democracy in America seems to be open to the charge made in the last paragraph, of respon-

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sibility for all the ill which he now finds in our society, is because it has been infected with industrialism (capitalism); but, in that case, he must widen the scope of his proposition and undertake to purify democracy before turning industry over to it. The Socialists generally seem to think that they make their undertakings easier when they widen their scope, and make them easiest when they propose to remake everything; but in truth social tasks increase in difficulty in an enormous ratio as they are widened in scope.

The question, therefore, arises, if it is proposed to reorganize the social system on the principles of American democracy, whether the institutions of industrialism are to be retained. If so, all the virus of capitalism will be retained. It is forgotten, in many schemes of social reformation in which it is proposed to mix what we like with what we do not like, in order to extirpate the latter, that each must undergo a reaction from the other, and that what we like may be extirpated by what we do not like. We may find that instead of democratizing capitalism we have capitalized democracy,—that is, have brought in plutocracy. Plutocracy is a political system in which the ruling force is wealth. The denunciations of capital which we hear from all the reformers is the most eloquent proof that the greatest power in the world to-day is capital. They know that it is, and confess it most when they deny it most strenuously. At present the power of capital is social and industrial, and only in a small degree political. So far as capital is political, it is on account of political abuses, such as tariffs and special legislation on the one hand, and legislative strikes on the other. These conditions exist in the democracy to which it is proposed to transfer the industries. What does that mean except bringing all the power of capital once for all into the political arena, and precipitating the conflict of democracy and plutocracy at once? Can any one imagine that the masterfulness, the overbearing disposition, the greed of gain, and the ruthlessness in methods, which are the faults of the master of industry at his worst, would cease when he was a functionary of the State, which had relieved him of risk and endowed him with authority? Can any one imagine that politicians would no longer be corruptly fond of money, intriguing, and crafty, when they were charged, not only with patronage and government contracts, but also with factories, stores, ships, and railroads? Could we expect anything except that, when the politician and the master of industry were joined in one, we should have the vices of both unchecked by the restraints of

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either? In any socialistic state there will be one set of positions which will offer chances of wealth beyond the wildest dreams of avarice, viz. on the governing committees. Then there will be rich men whose wealth will indeed be a menace to social interests, and instead of industrial peace there will be such war as no one has dreamed of yet: the war between the political ins and outs,—that is, between those who are on the committee and those who want to get on it.

We must not drop the subject of democracy without one word more. The Greeks already had occasion to notice a most serious distinction between two principles of democracy which lie at its roots. Plutarch says that Solon got the archonship in part by promising equality, which some understood of esteem and dignity, others of measure and number. There is one democratic principle which means that each man should be esteemed for his merit and worth, for just what he is, without regard to birth, wealth, rank, or other adventitious circumstances. The other principle is that each one of us ought to be equal to all the others in what he gets and enjoys. The first principle is only partially realizable, but, so far as it goes, it is elevating and socially progressive and profitable. The second is not capable of an intelligible statement. The first is a principle of industrialism. It proceeds from and is intelligible only in a society built on the industrial virtues, free endeavor, security of property, and repression of the baser vices; that is, in a society whose industrial system is built on labor and exchange. The other is only a rule of division for robbers who have to divide plunder, or monks who have to divide gifts. If, therefore, we want to democratize industry in the sense of the first principle, we need only perfect what we have now, especially on its political side. If we try to democratize it in the sense of the other principle, we corrupt politics at one stroke; we enter upon an industrial enterprise which will waste capital and bring us all to poverty; and we set loose greed and envy as ruling social passions.

If this poor old world is as bad as they say, one more reflection may check the zeal of the headlong reformer. It is at any rate a tough old world. It has taken its trend and curvature and all its twists and tangles from a long course of formation. All its wry and crooked gnarls and knobs are therefore stiff and stubborn. If we puny men by our arts can do anything at all to straighten them, it will only be by modifying the tendencies of some of the forces at

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work, so that, after a sufficient time, their action may be changed a little, and slowly the lines of movement may be modified. This effort, however, can at most be only slight, and it will take a long time. In the mean time spontaneous forces will be at work, compared with which our efforts are like those of a man trying to deflect a river; and these forces will have changed the whole problem before our interferences have time to make themselves felt. The great stream of time and earthly things will sweep on just the same in spite of us. It bears with it now all the errors and follies of the past, the wreckage of all the philosophies, the fragments of all the civilizations, the wisdom of all the abandoned ethical systems, the débris of all the institutions, and the penalties of all the mistakes. It is only in imagination that we stand by and look at it, and criticise it, and plan to change it. Every one of us is a child of his age and cannot get out of it. He is in the stream and is swept along with it. All his sciences and philosophy come to him out of it. Therefore the tide will not be changed by us. It will swallow up both us and our experiments. It will absorb the efforts at change and take them into itself as new but trivial components, and the great movement of tradition and work will go on unchanged by our fads and schemes. The things which will change it are the great discoveries and inventions, the new reactions inside the social organism, and the changes in the earth itself on account of changes in the cosmical forces. These causes will make of it just what, in fidelity to them, it ought to be. The men will be carried along with it and be made by it. The utmost they can do by their cleverness will be to note and record their course as they are carried along, which is what we do now, and is that which leads us to the vain fancy that we can make or guide the movement. That is why it is the greatest folly of which a man can be capable, to sit down with a slate and pencil to plan out a new social world.

W. G. Sumner.

The reader may profitably consult: Herbert Spencer's Principles of Sociology—Social Statics, especially, The Man versus the State. Schaeffle: The Quintessence of Socialism. H. Fawcett: Essays on Political and Social Subjects. Woolsey: Communism and Socialism. Sumner: What Social Classes Owe to Each Other.

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THE GOTHENBURG SYSTEM AND OUR LIQUOR TRAFFIC.

Two recent events have a significant bearing on the future of the liquor question in America. The first is the formation of a national investigating Committee of Fifty, and the other is the widespread interest which the Scandinavian method of control has awakened.

The headquarters of the Committee is New York, and President Seth Low of Columbia College is chairman. Its membership includes specialists enjoying wide reputations in physiology, ethics, and economics, and leaders in business, philanthropy, and the church. Its purpose is to clearly establish facts. With this end in view the physiological effects of alcohol on the human system, legislative expedients for regulating the traffic, and the economic and ethical aspects of the problem, will be investigated. A thoroughly scientific spirit dominates the Committee. It is entering upon its work with great earnestness, and from its labors much good will come.

The more thoughtful among social reformers, appalled by the increasing ravages of the liquor habit, and the impotency of prohibitionists to stay it by force of law, think they see in a plan which has stood the test of more than a quarter of a century of successful operation elsewhere, an augury of hope. The scheme referred to is most generally known as the Gothenburg system of liquor traffic, modified to suit American needs. Can this be adapted to harmonize with American conditions? Two classes of people, the self-interested and the intractable, represented respectively by the President of the Liquor Dealers' Association of New York city, and the editorial spokesman of the Massachusetts Total Abstinence Association, say not. But these elements have so often fraternized in opposition to licensing reform that their dicta need not carry much weight. Moreover we have been trying expedients advocated by both for the last thirty years, with the result of but little progress toward permanent amelioration.

The failure of traditional policy makes any new suggestion for dealing with the liquor traffic the subject of innumerable queries in

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the minds of persons unembarrassed by preconceived notions or pocket interests. But no matter how unreasonably these interrogation-points may be magnified, provided they represent honest doubt, they ought to be answered: indeed they must be, if conviction is to grow.

Will the Gothenburg system flourish, or can it even thrive in so tainted a political atmosphere as that surrounding American municipal government? This is almost the first expression of the honest doubter. He thinks that the bad state of politics precludes successful operation of the system because of the necessarily intimate alliance liquor companies must sustain to local authorities. Can the body which must act both as licensing authority and in a sense as a board of control be constituted so as to ensure fair dealing and a safeguarding of the public interests from their moral side? Judges in courts of higher instance, who would certainly be the most competent and fair-minded individuals, are disinclined to serve. A commission with final authority appointed by governor or mayor, or even specifically elected by the community, might not be safe repositories of this authority. How is the difficulty to be gotten over?

There should not, I think, be a State commission for licensing, no matter in what manner made up. This would seem to incorporate the liquor traffic permanently as a part of the political machinery of a State. As municipalities have the right to decide whether they will adopt the Gothenburg system or not, the licensing authority must be constituted within their borders. Any public body might undertake the work, provided it be stipulated that a majority of the commission should be total abstainers in practice, and furthermore that appeal from its acts to the Supreme Court of the State should always be open. Under these circumstances it would not matter much whether the commission were elected or appointed, or if some class of functionaries already in existence were charged with the duties. The facility of appeal is the essential thing in order to check possible wrong-doing. With the majority of the commission teetotalers, and the acts of the board subject to judicial review, there ought to be little danger of favoritism, corruption, or maladministration.

In case a community decided to try the Gothenburg plan, the duties of the licensing commission, in the first instance, would be to choose between different companies, should more than one seek the franchise. It is assumed that this prerogative would offer an oppor-

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tunity for bribery or the exercise of favoritism. But where is the commercial motive? Were the traffic to be conducted as now, there would of course be a strong inducement. Here is the fundamental error of most critics. They do not keep in mind the fact that the Gothenburg system provides for the surrender of gain in liquor-selling, except the mere interest on capital invested.

Again, every step in the formation of these corporations would be a matter of public knowledge. The names of shareholders, individual holdings of stock, by-laws, rules and regulations for carrying on the business, and prescriptions for the conduct of employees, should be matters of public notoriety. In case two or three companies bid for the privilege, there must exist the right of appeal upon presumption of favoritism, bribery, or undue influence. The method on which a company is administered is more important than the principle upon which it is founded. Consequently there should be prescriptions as to the holding of stock, disqualification of persons directly or indirectly engaged in the manufacture or sale of liquor as stockholders, and the limitation to a small number—say five—of shares belonging to any one individual. Still more important than this would be a requirement that the managing director—the person daily responsible for the administration of the company—must be an abstainer.

One class of objectors urge that the company system would make liquor-selling respectable, because people would then become interested who shun it to-day. By others it is said that respectable persons would have nothing whatever to do with the traffic, and hence the corporation shareholders will be composed of persons having no sympathy with the promotion of temperance. A small element of truth resides in the first statement. There is an undoubted unwillingness on the part of persons opposed to liquor-selling on principle, to become stockholders. But the same objection does not obtain as regards managing the company's affairs. The opponents of liquor-selling ought to be glad of an opportunity to actively co-operate in its restriction.

A magnificent example of this higher conception of duty has occurred in the history of the Gothenburg Company. Dr. Sigfrid Wiselgren, himself the son of the great apostle of temperance, and an abstainer from spirits all his life, became general manager, and so administered its affairs that the philanthropic aim was clearly established. To-day he is the leader of the temperance party in the

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Upper House of the Swedish Parliament, and the most ardent advocate of the Gothenburg plan. The willingness of a company from principle to employ a temperance man as its general manager, would be to the community the highest evidence of its sincerity of purpose. No high-minded abstainer, it seems to me, ought to shrink from such a task. On the other hand it may be contended, I think, that this system, while not making liquor-selling respectable, would assure its being respectably conducted, since it would be brought under the control of reputable men. The great evil of the traffic to-day is its concentration in the hands of persons of very moderate intelligence and inferior moral perception. If liquor must be sold,—and few even of the most ardent prohibitionists will deny that it will continue to be for some time yet,—is it not vastly better to take the traffic from the control of the present lower element of society who conduct it for private gain, and place it in the hands of reputable men with no economic interests to serve, and whose dominating purpose will be its restriction to the lowest possible minimum? Mr. Tekulsky, the president of the Liquor Dealers' Association of New York city, concedes "that any plan which tends to remove the liquor business from politics is highly desirable"; but in discussing the political aspects of the Gothenburg system domiciled in America, he raises, as might be expected, a great many difficulties. Some of these afford interesting commentaries on current practices, and expose the rottenness and debauchery of methods in vogue in some of our large cities. We are told, for instance, that brewers and distillers would be sure to offer immense bribes for the favor of the company in supplying liquor. Since, however, all business is conducted with the greatest possible publicity, it is unreasonable to think that bribery would remain undiscovered, especially if unsuccessful competitors were allowed the right of appeal. Government officers award immense contracts every year without the suspicion of fraud.

Some people profess to see a fine opportunity to dispense patronage in filling the many places which the society would have at its disposal. There would not be so many posts available as at present. The nine thousand and more places where liquor is sold in one form or another to-day in New York city would be reduced to not more than one-twentieth of that number. Even if sound ideas of civil service, such as characterize the administration abroad, did not engraft themselves upon American practice, our people could look complacently upon rewards given for restricting sales instead of tempting

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to indulgence. But all this talk about patronage is arrant nonsense. A corporation administering its affairs to promote the public weal would treat its employees in the same manner as private enterprises, and reward them for best carrying out its objects. It is easy to understand the motive back of this specious plea. Under the new régime the occupation of the barkeeper, as exercised to-day, would be gone forever.

There is considerable cogency in the remark that a company organized to monopolize the sale of liquor in a large city like New York would be an unwieldy affair. The number of drinking-places would be but a tithe of those open at present, still it might be desirable in the larger centres of population to divide the city into districts containing say two hundred thousand inhabitants, and confine the sphere of operation of a single company to one division. Disadvantages as well as advantages would attach to this plan. On the one hand the business would be more manageable, stricter supervision could be exercised, and a healthy rivalry in upright management created between the different companies. Political dangers of every sort would be minimized, and patronage notably lessened. A disadvantage would be that a whole municipality could not be thrown simultaneously under the operation of the Gothenburg plan. There would result the creation of *foci* of moral contagion, affording doubtless instructive object-lessons, but whose existence would react unfavorably upon the surrounding neighborhoods, placing to their charge more or less of drunkenness and crime, the responsibility for which should rest upon the locality where the drinking took place. The Bishop of Chester, in his bill now before the English Parliament, has proposed the ward as the unit of a company's operation in large cities. Though this division is too small, there seems undoubtedly strong grounds for dividing up large centres of population, even at the risk of creating plague-spots. It is not such a bad idea to "corral" vice, because sooner or later an effective moral "round-up" will take place.

There is the question of illegal sales. Voicing his sense of the injustice of displacing the individual liquor-seller, and claiming recognition for the traffic as a perfectly legitimate business, the representative of the saloon-keepers of New York is nevertheless not sure that the virtue of his colleagues is strong enough to support the change. He prophesies "speak-easies" innumerable, where illicit selling will go on in defiance of the company's monopoly. Too

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great espionage, he thinks, would be extremely objectionable, and doubtless for such parties it would. It is pretty safe, however, to predict that the company would find means to secure respect for its commercial privileges. If it exercised complacency, the public would soon demand a reason. In any case, institutions or interests by law entitled to a share in the profits would be alert to see that illegal selling was checked. The saloon-keeper attempting to evade the law would doubtless find the detective force of the company a power which bribery could not turn from duty, because the risk would be too great, if for no other reason. No one who believes in the enforcement of law and the maintenance of legal prescriptions would object to spy service in this field.

It is often said that the success of the Gothenburg system abroad has been due to a higher tone of municipal public life, greater respect for authority, trustworthiness of public officials, and a willingness of the people to be led by them. Undeniably, these factors have availed much. But in this country we find their counterpart in the strength, alertness, and aggressiveness of temperance sentiment,—things which do not exist to anything like the same degree in Scandinavian countries. The higher municipal tone abroad is partially offset by greater complacency in views of drinking. Here lower civic notions are balanced by a powerful temperance movement. Should any company forget its philanthropic aim, the end of the licensing period would mark the termination of monopolistic privileges. Here is one of the admirable features of the plan. Communities, in the first instance, choose between local option, the Gothenburg system, and individual licensing. Every three years there is an "appeal unto Cæsar." If local option is authorized, the company is wound up, the shareholders having redeemed their stock in full from the reserve fund accumulated for the purpose. If the Gothenburg system be chosen for a new trial, it is perfectly feasible for the licensing commission to award the privileges to a new company where the old one has shown disregard of public interests.

It is impossible to leave the discussion of political phases without saying something on the subject of profits. This question gives grave concern to some, because they fear that a loophole will be found for diverting them from public uses. They are afraid lest the springs of private philanthropy may dry up, if profits from the liquor traffic serve philanthropic purposes. Charity and philanthropy are not parasitic. Their roots are emplanted deeply in the human heart.

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Not the duty to give, but the love of giving, is the motive behind the chief part of philanthropic contribution. But even though there were cessation of private munificence, individuals alone—not the community—would be harmed. Public sources would dispense the generosity formerly bestowed by individuals: the aggregate of good accomplished by the money ought to be the same. An unquestioned stimulus has been given to philanthropy, private as well as public, since the inauguration of the Gothenburg régime. The parent city itself, in its helpful institutions of many sorts, the fruits of private as well as public enterprises, discloses a broader philanthropic impulse than any other community of similar size can claim.

In order to prevent fraud or favoritism in the distribution of surplus revenues arising from the liquor traffic, the law should specify the objects to which subsidies should be given. To my mind three principal categories ought to receive recognition. The first of these is education, not in its general, but in its special phases. Revenues for this object should be dispensed to found kindergartens, manual-training schools, and schools of industrial art. Kindergartens are selected because results testify unimpeachably to the useful moral effects of their training. What other agency can boast of a record like that of the San Francisco kindergartens? An investigation, following ten thousand children in after-life, disclosed the astounding fact that only one kindergarten child has been arrested.

Manual-training institutions invite support because a boy whose eyes and hands are early trained to translate ideas into material objects is not likely later to become a burden to society from inability to earn his own living. His mechanical aptitudes become so much capital. Industrial art schools have a claim in order that scope may be given to young women as well as young men to develop higher industrial capacities, useful to themselves, but serving also to hasten the time when American industry may acquit itself of the reproach of borrowing its ideas of finer work from across the sea.

Our city saloons minister in two respects to the workingman. They are labor exchanges and social centres. To abolish these without providing substitutes would be rank injustice. Therefore it becomes necessary to apportion a generous share of the profits of the liquor companies toward furnishing social centres in the place of saloons. To carry out this idea, it is necessary only to have in the same building, or next door to the company's liquor-shop, a coffee-house and rooms for reading and entertainment as well as for hire for

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social gatherings. Let as many as possible of the recreative features of a gentleman's club be reproduced. The saloon proper should be closed promptly at seven o'clock, so that from this time on the annex may be the rallying-ground. Soft drinks, light refreshments, newspapers, pool and billiards, draughts and chess, smoking and conversation, should be elements in the entertainment of patrons. If possible, the attractiveness of the well-equipped modern saloon should be outdone. Let these privileges accompany the purchase of a soft drink or a portion of the refreshment, and the free lunch of to-day will never be regretfully recalled.

There ought also to be generous appropriations for popular evening concerts. These should be held at frequent intervals in different parts of the city, so as to be easily accessible to everybody. The admission fee should be such as the workingman and his family could readily support, and the inevitable deficit made up by subsidies from the liquor fund. The popularization of music and art is of great civilizing importance. Its sociological import, too, is of the highest. It reacts favorably upon the family life, and saves the male members from the unfortunate or evil associations surrounding saloons and cheap music-hall entertainments. No class of persons stand in greater need of recreation than working-people, and yet to no other are so few available. Those who seek to rob the workingman of his social centre must furnish him with another.

Education and recreation are not by any means the only things which should receive financial support. They are mentioned merely as examples.

Statutory disposition of the profits would prevent any diversion into illegitimate channels, notably into the pockets of politicians. Auditors appointed on behalf of the different interests who by law are given claims on the surplus would be men of standing,—either officials, as in the case of the school board, or citizens making philanthropy a preoccupation.

The moral of all this is that the Gothenburg system modified in the manner already indicated would help wonderfully to accomplish a reformation of politics. The divorce would be absolute and permanent. Politicians of modern stamp do not concern themselves very much with things out of which they cannot make money. A large revenue now comes to them from the liquor interest, and with this cut off they would leave the system to run itself, upon finding that they could not exploit it for private gain. This is not saying that

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politicians would calmly surrender existing sources of spoils without learning from experience, as they inevitably will, that they must. If an American adaptation of the Gothenburg plan can succeed in breaking up the alliance between liquor and politics, besides abolishing the saloon as we know it to-day, it will have rendered two such supreme services that little else need be demanded.

Will this new system of liquor traffic reduce inebriety? Its opponents have not hesitated to answer in the negative, and in justification point to the statistics of Sweden, which show that in recent years there has been an increase in the number of convictions for drunkenness. This is true, but during the same time there has been an immense decrease in the *per capita* consumption of spirits. Are we, therefore, to infer that decreasing consumption means additional drunkenness? Furthermore, during this period, prohibition has been introduced into almost all of the country districts of Sweden. Singularly enough, the ratio of increase in drunkenness in the country has been greater than in the cities and towns. Does it, therefore, follow that a prohibitory régime is favorable to the increase of drunkenness? The truth of the matter is that no reliable inference as to the efficacy of a system of control can be gathered from the study of these statistics. The number of persons who touch liquor at all might fall one-half, but if old topers continue to drink, as they will, there will still be practically the same number of "drunks" as before. Again, legal regulations, activity of the police, and even the employment of patrol wagons, are important factors, though usually quite neglected. The true explanation as regards Norway and Sweden is quite simple. While the consumption of spirits has been environed with difficulties, beer-drinking has been, one might almost say, encouraged. Hence, the consumption of malt liquors has risen to colossal figures, in comparing recent with previous years. Simultaneously the beer has been strengthened and cheapened. The companies refuse to sell further potions to a customer giving evidence of intoxication, but the vendor of beer will supply as much as his client wishes.

The folly of making so sharp a distinction in the control of spirituous and malt beverages is evident. As compared with the period before the Gothenburg system went into effect in Scandinavia, the decrease in drunkenness is enormous. Progress continued in the right direction until beer commenced to be generally sold. The Swedish government, on the 20th of last June, took the first step in

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recognition of this view by limiting the free sale of malt beverages to a minimum of ten litres at one time.

The statement made by the Massachusetts Total Abstinence Society, in one of its "Arrow Leaflets," that the consumption of alcohol is not shown to have decreased since the system went into operation, is absolutely unreliable. Of like character is the statement that Sweden has a *per capita* consumption of liquor twice as large as the United States. The drinking of spirits in the eastern Scandinavian kingdom has declined a little over forty-seven per cent since 1874, the year that the Gothenburg Company, at that time the only prominent one in operation, received the monopoly of retail as well as bar-sales for the city. Taking the same years in the United States, namely, 1874 and 1892, official statistics show that the consumption of spirits has remained exactly stationary. Comparing the two countries we find that the average individual in Sweden now drinks very nearly a quart more annually than in America. May not these figures lead one to hope that the system, when transplanted here, will not only lessen the temptation of drink by diminishing the number of drinking-places, but that it will powerfully reform individual habit?

Many people who admit that much good has been accomplished abroad explain that the liquor forces are not organized there, and that they could not break down the system as they certainly would in this country. An answer to that is, that if such conditions exist with us it is high time that an open conflict be invited. Otherwise the danger to our institutions is simply appalling. However strong the influence of liquor as a political factor might be, we cannot, I think, admit that as yet it has hopelessly enthralled us.

Finally, would the establishment of the Gothenburg system in this country stop the progress of prohibition, State or local? Would it prove so satisfactory a substitute that a majority of people who support prohibition because opposed to existing political practices, would be weaned away? The system itself was not designed at its commencement, nor has there been any expectation through it to eradicate all the evils to which inordinate indulgence in drink gives rise. It is meant to regulate the traffic, to reform the methods of licensing and sale, to restrict consumption in every possible way without absolutely forbidding it, but not to entirely withdraw facilities for obtaining liquor where applicants are of mature age, not already intoxicated, and have ready cash. But, far from making

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drinking respectable, it gives it the air of a dangerous practice, and its saloons in time are looked upon as having something of the reformatory element about them. Local-option features are a part of the scheme, so that the people may choose at the end of licensing periods—viz. every three years—whether or not the sale of all kinds of liquor shall be suppressed.

The Gothenburg system operates educationally; it does not repress by force of law. It is not an ideal to those who look upon every sort of drinking as unfortunate or wrong, but it furnishes the surest path to progress. The true ideal is as far beyond this system as is prohibition maintained by police power, an ideal which will not be attained until the religious and moral nature of man has been so renovated that he will shun all agencies of evil, and make wise use of everything with which he comes in contact. As a means of education toward so lofty a standard, the Scandinavian plan offers superior advantages. Powerful object-lessons awaken the intelligence and move the heart. Here a common meeting-ground has at least been reached where the radical and conservative exponents of temperance may join hands with the simple well-wishers of their race, to unitedly advance a momentous human interest.

E. R. L. GOULD.

The reader will find further information with regard to the Gothenburg system of dealing with the liquor traffic in the following books and articles: "The Gothenburg System of Liquor Traffic," Fifth Special Report of the Commissioner of Labor, by E. R. L. Gould. "Report of the Legislative Commission appointed by the Legislature of Massachusetts to Investigate the Workings of the Gothenburg System," prepared by Mr. John Koren, Secretary to the Commission. "Local Option in Norway," by T. M. Wilson: Cassell & Co. "More About the Gothenburg System," by Dr. Sigfrid Wieselgren: Stockholm, P. A. Norstedt & Söner, 1883. "Brandy and Socialism: The Gothenburg Plan," by John Graham Brooks, in THE FORUM, December, 1892. "Gothenburg and Bergen Public House System," by James Whyte, Secretary of the United Kingdom Alliance. "Liquor Legislation in the United States and Canada," by E. L. Fanshawe: London, Cassell & Co., 1893.

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LOWELL IN HIS LETTERS.

THE letters of James Russell Lowell have been collected and edited by Prof. Charles Eliot Norton and published in a manner suitable to their intrinsic worth and beauty. Those who go to them expecting any startling revelations, anything essentially different from what had been before made known to us in his collected works (four volumes of poetry and eight of prose), will be disappointed. It should be so; for the revelation of Lowell's character in his books was so noble, so engaging, that, had the revelation of it in his letters been different, the difference must have been for the worse. From first to last, the one impression, inclusive of all others, that these letters make, is that Lowell the writer and Lowell the man were absolutely one. Between the writer and the man there was no schism, no opposition or discrepancy or inconsistency whatsoever. There is no real and painted fire, but the same reality in either case. There is abundant insincerity in the literary world. It is a fault which did not so much as touch the hem of Lowell's singing-robes or his professor's gown. His friends had testified to this effect; but to read his letters is to know it at first hand. Matt Arnold, as Lowell called him with affectionate familiarity, would have had "wholeness of tissue" in a poet's work. It may have been sometimes lacking in Lowell's, as in Emerson's upon which Arnold animadverted. But Lowell's life and poetry and prose together answered to Arnold's requisition. They were all of one piece. What the man thought and felt and loved in his most personal and private life furnished the substance of his poetical creation and his criticism of men and books. In both alike are the same birds, the same friends, the same ideals of beauty, truth, and good. We knew the man before these books appeared. We know him better now.

Because the letters make no essential difference in our judgment of the man, it does not follow that they are superfluous. They deepen the impression that we had before. They furnish numberless illustrations of the wit, the humor, the fancy, the imagination, the tenderness, the humanity, the political conscience, the lofty patriotism,

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to which his poems and his articles had already furnished so many. And while they do not alter, but confirm our previous apprehension of his personality, they add one of capital importance to the known variety of his gifts—a gift for writing letters of such brightness and such beauty that they are a permanent addition to one of the most delightful satisfactions which the past affords the present and the coming time. There are those who do not rank Lowell high among the poets. There are those who do not think his prose is good. But the most captious of these will hardly question that as a letter-writer he is entirely satisfactory. We have here none of those essays or sermons which are often put off as letters on the reading world. Such are the letters of Goethe and Schiller to each other. They are magnificent, but they are not—letters. Emerson's letters to Carlyle had often five or six preliminary drafts. Carlyle's to Emerson had never one; and Lowell's, like Carlyle's, are profuse strains of unpremeditated artlessness. And what sometimes hurt his work does not hurt his letters; the humor he could not deny himself in the poem or the essay, and which sometimes marred the unity or dignity of these, is never excessive in the letters, even when, like boys at leap-frog, joke tumbles over joke. And how good it is to have one more letter-writer—and such a letter-writer!—when we have been assured so often that this or that one was the last; that stenography and the penny post had been as fatal to the delightful race as St. Patrick was to the snakes in Ireland! Ours is the happiness of the small boy who discovers one more peanut in the lining of his jacket, when that extension of his pocket has discouraged any further hope.

As the first and last impression made by these letters is that of the complete identity of the author and the man, so is it, and quite as distinctly, that the man was at his best, was his true self, only as a poet. To be confident of this, one does not have to be forgetful of the pages elsewhere that reveal the humorist, the scholar, the critic, the publicist, the diplomatist. In respect to one only of these several parts of Lowell's genius do the letters add anything important to our previous knowledge. It was not to be expected that they would do much to heighten our appreciation of the critical faculty which he had shown in various essays, with that on Dante in the lead; or of such writing as that which he furnished on political subjects for "The North American Review" during our civil war, and which many years after climbed to its serenest height in the Birmingham "Democ-

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racy" and the Chickering Hall "Independent in Politics." And it was quite as little to be expected that he could do anything to heighten the impression of his humorous gift, seeing that we had had not only the "Biglow Papers," the first series and the second, but also many other humorous things in prose and verse, and in his most serious essays sudden lapses into humor that declared the irrepressible spontaneity of the gift.

But while our appreciation of Lowell's humor has not been heightened in respect to its quality, in respect to its abundance it has been heightened a great deal. We had heard with our ears, and this one and that had told us of its marvellous stream, but now we have the ocular demonstration. Mr. Stedman has said that he would waste more in an evening than other wits could husband in a year, and Judge Hoar has told us how he let his home-brewed stuff waste at the bung whole evenings long. How true their tale, these letters amply show. In some the succession of puns and witticisms and humorous reflections is from end to end without a break. The range is from the wildest nonsense up to the humor that makes good its name, because it makes us "teary round the lashes." More villainous puns than some of these were never perpetrated by a mortal man. The impecuniosity of his early life was full of provocation for his infinite jest. When money was much easier, the wit and fun and humor ran less free. But there never was a time when the secret fountain might not at any moment burst into the light.

And yet it was not as a humorist that Lowell was his inmost and his utmost self. His published works are evidence of this, and now his letters are fresh proof of it. He is more the poet in their literary form than he is anything else, and he is more the poet in the desires and aspirations they express than he is humorist, or scholar, or critic, or statesman, or reformer. The happiest period of his life was from 1845 to 1850, when he was writing poetry with such freedom and zest as never at any time before or after. Then, too, he had his fullest consciousness of poetic power, feeling assured that he could win the common heart and make himself a lofty place among the kings of song. The professorship at Harvard, which relieved him from pecuniary anxiety, was dearly bought, because "the poet was tripped up in the professor's gown." This phrase and certain variants of it return so frequently that its serious import is not to be missed. His constant feeling was that his professor's work was keeping him from his appointed task and his true life and joy.

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Other things conspired with that in the fifties to make Minerva unwilling; but in the sixties the war-drums brought her back to inspire the second series of "Biglow Papers," and Lowell was himself again. The new inspiration that the war had quickened did not cease when the battle-flags were furled. Other poems followed those which stirred the heart and conscience of the nation in its time of trial, or made us laugh when we were going to cry; and in their creation he renewed the pleasures of his hopeful prime. They assured him that he could do something more than "make a drum of his shell and rattle away" at the head of any patriotic or reformatory march. Either the self-criticism in the "Fable for Critics" in 1848 was entirely true, or it marked the beginning of a deeper love of poetry for her own perfect sake than he had known before. And to that deeper love he was more passionately true as time went on. Its exigency was immense, for it demanded of him something even better than the splendors of the "Commemoration Ode," or that which the death of Agassiz drew from his heart, or that which had Washington for its majestic theme. He was not wanting in a noble self-respect. He dared believe some wider and deeper recognition of his verse would come when he had gone away. What had moved him so strangely must soon or late be shown to have been written "that the thoughts of many hearts might be revealed." But what troubled him much more than any slow response to his message was his consciousness that study and teaching and politics and diplomacy had so warped him from the proper line of his advance that he had not made the most of the gift that was in him. And for the sorrow that this consciousness entailed there was no consolation for him in any of the great successes of his later life, social or diplomatic. He would rather have been the poet which he dared believe he was meant to be, than anything else within the gift of others or the reach of his own powers.

In the earliest letters, written when the boy was eight and nine, there is no indication of precocity; but he has already "got quite a library," and publishes his "catalogue of additions" with great satisfaction. His fine clothes delight him even more, and his only attempt at humor gives no sign of his paternity of the coming man. His first college letters, written when he was seventeen, present him to us as a self-conscious bibliomaniac, studying little, reading much, proud of his books not only for their spiritual contents, but also for their fair outsides. The promise of the coming humorist is now dis-

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tinct, but not that of the coming reformer. That his Class Day Poem was a satirical attack on the followers of Emerson and Garrison is generally known, and that a few years later he was himself a Transcendentalist and Abolitionist has been accounted for by the influence of the lovely woman who in 1844 became his wife. Evidently his long engagement and his marriage with Maria White furnished him with the highest moral inspiration. Probably his identification with the Abolitionists would have been less complete if she had never come into his life. But his generous and chivalric temper made it inevitable that he should soon or late be found among the anti-slavery prophets, and his gravitation to the Transcendentalists was as perfectly assured. His acquaintance with Miss White had hardly begun when, a few months after the delivery of his Class Day Poem, he indorsed that precious document with his speedy shame, and in a letter to George B. Loring declared his sympathy with the Abolitionists. Loring was the most fortunate of his early correspondents in the multitude of letters he received, but there came a parting of the ways. The correspondence ceases in 1843, and the wonder is inevitable if Loring had already taken the pro-slavery line which he so diligently followed up to the threshold of emancipation. The Class Poem had to be read by a classmate, because Lowell was undergoing rustication at the time, in the Old Manse at Concord. A suggestion that the fault which led to his rustication was something more serious than neglect of the required course of study is contravened by Professor Norton's statement of the facts. If there was worse than this, it was some boyish peccadillo.

The "roaring forties" were the years that Lowell sailed with happiest heart. Then it was "Ho, for a niche and a laurel!" Then he was conscious of his powers, and wrote about them freely to his friends, always in the spirit of *noblesse oblige*, acknowledging his debt to nature, and resolved to pay the thrifty goddess thanks and use. These were the years when the poetic sap ran fullest in his veins, and his fruits of song ripened abundantly in the genial air of love and sympathy and reformatory zeal. The letters for these years are full of the creative impulse, the delight of doing well, and the confidence of better things in store. They are also full of wit and humor, fun and nonsense, kindliness and sympathy, manliness and courage, and devotion to a glorious cause.

What to do with himself was at once a serious and humorous problem at the start. At first Divinity attracted him; then Law.

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It is interesting to imagine Lowell as a clergyman. His humorous part would not have failed of due appreciation by the cloth; but whether he could have suppressed it in his sermons as successfully as Dr. Parkman and some others, admits of question. It was a happy day for him when he recognized that letters and not law demanded his whole strength; but this was not until, in 1843, he had published his second volume of poems. His friendliest and fullest correspondence for the next five years was with Charles F. Briggs of "The Broadway Journal," and Sydney Howard Gay of the "Anti-Slavery Standard." His liking for Briggs was very great, and his appreciation of his character is shown in one of the brightest sketches in the "Fable for Critics,"—that of Harry Franco. Briggs was the recipient of his confidences anent the "Fable," which was written *with all possible hilarity; the last part more slowly than the first*, because Briggs had praised this, and praise was "the only thing that made him feel any doubt of himself." That the "Fable" was written to punish Margaret Fuller for her critical attack is an idea that has had industrious circulation. The letters show that the part about her was an after-thought, written quite at the last because Mrs. Lowell thought he ought not to waste the chance to touch Margaret up. Lowell gave the "Fable" to Briggs, not only the manuscript, but the proceeds, whatever they might be. Briggs would have divided them, after the manner of Gaul, into three parts; Page the artist presumably coming in for one, he at this time having a trinitarian identity with Briggs and Lowell. Eventually Briggs got them all, and they were melted down into a little silver plate, which the letters do not mention, but which still preserves the memory of a goodly fellowship.

The year 1848 was Lowell's wonderful year, synchronizing with the appearance of the "Biglow Papers," the "Fable," and the "Vision of Sir Launfal." He was writing for "The Anti-Slavery Standard," and his letters to his colleague, Mr. Gay, are collectively the brightest that he ever wrote. He was extremely sympathetic in his letters,—to the grave showing himself grave, and to the less serious and reserved a corresponding disposition. Writing to Gay, in proportion to the emptiness of his purse was the abundance of his wit. His constitution was "still vigorous enough to bear a draft." He was just able to keep his head above water, for there was a hole in his life preserver; but what wind he could raise from Gay made up for leakage and saved him from total immersion. Upon a hint from

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Gay that the committee publishing "The Standard" are going to drop him, he abdicates "with the rapid grace of Richard Cromwell when he sat down on Monk's sword in the Protectoral chair." But the hint was premature, and "it appears that he, an innocent man, has hanged himself in his cell to avoid the opprobrium of public hemp; and now, how are the lacerated feelings of a broken-hearted wife and fatherless daughter to be healed? Still more important—how was his neck to be reset?" There is much more about the "*noose*-paper" he is writing for, and "the *hang* of the editorship," his temporary *suspension*, and the "rope enough" and "full swing" he is to have in future.

Life was not all gayety for Lowell in these years, nor were all his troubles such as turned to wit and laughter. Of four children born to him by his first wife, three died before the mother. These sorrows touch his letters, as they touched his poems, with gleams of mournful light, but Mr. Norton has given us freeer access to the gladness of the poet's life than to its sadness, sympathizing with his delicate reserve. It was after the death of Rose in 1850 that he wrote "After the Burial," or what grew to that in 1869. A letter of the time answers to that as face to face in water.

There are other particulars in which a complete disclosure of the man is wanting. There is no letter to Curtis, friendly as their relations were,—a circumstance which makes the poetic "Epistle to George William Curtis" all the more precious. Still more important is the lack of any reflection of Lowell's work as Professor of Belles Lettres in Harvard College, except from his side. For the other, let the reader go to Mr. Barrett Wendell's "Lowell as a Teacher," in his book called "Stelligeri," and also to Lowell's various essays, which have taken up into their substance a great deal from his college lectures, while losing much of their colloquial vivacity. The letters have hardly ever a good word to say for the professor. The chair of that functionary was never an easy-chair for the poet. It robbed him of his hope of being such a poet as in his youth he had meant to be in his maturity. Over and over again he repeats the bitter accusation. But what he did cannot be measured by his vain regrets. The elaborate essay on Dante is sufficient proof of that. And it may be that if his poetical activity had been more exclusive it would not have reached a higher mark. Nevertheless it is delightful, during the war and after it, to find the tide, that had been somewhat slack, making in again, and breaking in such music as that

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of the new "Biglow Papers," the "Commemoration Ode," "The Cathedral," and the various poems in the volume named, from its leading poem, "Under the Willows," though this included with new things the meagre harvesting of a dozen years before the war.

Lowell never wrote a more characteristic poem than "Under the Willows," and one of the most delightful aspects of the letters is that which reveals him to us in the same character as that poem shows in every line. It is delightful in itself, and it is delightful as assuring us of the reality of Lowell's poetical emotions. His poems of nature are but splendid paraphrases of his habitual satisfaction in her for her own obvious sake, not for any mystery he could pluck out of her, or moral he could tag on to her. Take the twenty lines beginning

"This willow is as old to me as life,"

—and what are they but a free translation of his outburst in a letter to Mr. Norton?

"How I do love the earth! I feel it thrill under my feet. I feel somehow as if it were conscious of my love, as if something passed into my dancing blood from it, and I get rid of that dreadful duty feeling—'What right have I to be?'—and not a golden-rod of them all soaks in the sunshine or feels the blue currents of the air eddy about him more thoughtlessly than I."

This is a very different attitude toward Nature from that of Bryant or Wordsworth, an attitude much more likely than theirs (so much more subjective) to do the most of us good service. This sunny exposure of the poet's mind grew wider as his life turned toward its afternoon and evening hours. His love of nature was a growing love; and this is the more remarkable because it was so frankly sensuous. The same Lowell who wrote "My Garden Acquaintance" is omnipresent in his letters. "By Jove! there's a bluebird warbling, God bless him! 'Tis the best news this many a day." Always the same delight in birds, their singing and their ways. If he had kept a journal of the casual year we might have had a "Lowell's Elmwood," that would have deserved a place with "White's Selborne" on our shelves and in our hearts.

It was well for Lowell that his intimacy with Nature grew as time went on, and that his relish of her inconstant moods lost nothing of its edge on the down grade of life. For the man who did so much to increase the happiness of others was not himself one of the happiest. For many readers this will be *par excellence* the revelation of his letters, though many others will have been prepared for what is

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now made plain by various previous intimations. After the subsidence of the animal spirits, consciousness of power, and enthusiasm for reform, that marked him to the verge of middle age, one tends to the impression that his life was melancholy rather than cheerful at its base. But this impression does not justify itself in the court of last appeal. Alas, poor Yorick! because, being a fellow of infinite jest, he had the defect of his excellence, and after those flashes of merriment that were wont to set the table on a roar there was an inevitable reaction after he had gone home to his study and settled down before that hearth on which he allowed the ashes to accumulate year after year. We all know the story of the Neapolitan gentleman who was advised to go, as a cure for his melancholy, to see Carlini, an actor who was convulsing Naples at the time with inextinguishable laughter, and who answered the physician, "*I* am Carlini." Lowell paid the proverbial penalty of the humorous mind, but his melancholy was compounded of many simples, the bitterest of which was not by any means the habitual reaction from his gayety. In love with health, he was not constituted to bear sickness cheerfully, especially if it came enveloped in some baffling obscurity, as apparently it did more than once. Then, too, the sorrows of his domestic life came to remain with him, and not as transient guests. "Death is a private tutor"—so he wrote a friend—and his lessons were so hard that to learn them perfectly took many silent hours. Another ground of Lowell's sadness was the constant fret of uncongenial work, and the conviction, well or ill advised, that it was robbing him of time and strength for the real business of his life. That he was not doing what he felt he ought to do, and could, with the poetic gift that was in him,—this was the crowning sorrow of his life. But from time to time it was immensely reinforced by public events which were much more discouraging to his sanguine temper than to those blessed ones who, expecting nothing, were not disappointed.

In 1850 Lowell was convinced that his reformatory zeal had worked some injury to his poetic faculty, and he resolved to be something less of a reformer and something more of a poet. He had been looking ahead too exclusively; he would look more about him. In "The Nooning," that "song to generations" which he was always meaning to write, but which never got written, he would not even glance at reform. The comment of the humorist on the reformer had, no doubt, something to do with this resolve, but it was one which he could keep only so long as there was no immediate demand

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for any encouragement of good endeavor for the common weal, or for any blasting of iniquity. No one entered more heartily than Lowell into the spirit that united the North in 1861 for the preservation of the Union, and no one was more sternly bent to make this coincide with the destruction of slavery. No loftier song of patriotism was ever sung than the "Commemoration Ode," when all he hoped had been achieved. How could a people that had been so exalted unto heaven ever consent again to grovel in the mire of partisan selfishness and private greed? Yet shortly it appeared that they could do these things more grossly than before the ordeal of battle. This woeful disappointment was a source of infinite sorrow to the poet who had seen Satan like lightning fall from heaven, and now found him reensconced as comfortably as ever and with a firmer seat. If Lowell had not hoped so much, believed so much, and sung his hope and his belief so heartily, his shame and indignation would not have been so hot. As it was, he could no otherwise than twist his

> "gift of words
> Into a scourge of rough and knotted cords,
> Unmusical, that whistle as they swing,
> To leave on shameless backs their purple sting."

That meant the terrible poems "Tempora Mutantur," and "The World's Fair, 1876," and in the Agassiz ode the phrase which ought to be restored, for our perpetual warning and rebuke—"the Land of Broken Promise." That meant an outbreak of patriotism of the cheaper sort, which is not "the last refuge of a scoundrel," but the first, to which Lowell's account of the matter must have been absolutely incomprehensible:—

> "I loved my Country so as only they
> Who love a mother fit to die for may;
> I loved her old renown, her stainless fame,—
> What better proof than that I loathed her shame."

That condenses into four imperishable lines one of the most interesting and important of the letters,—that to Mr. Joel Benton, January 19, 1876. If he was saddened by the criticism excited by his political poems, it was because that criticism showed too plainly that the actual state of things was even worse than he had painted it. For he had "put his sarcasm into the mouth of Brother Jonathan, thereby implying, and meaning to imply, that the common-sense of his countrymen was awakening to the facts, and that *therefore* things were not so desperate as they seemed."

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In the same letter, speaking of his critics, he wrote, "These fellows have no notion what love of country means. It is in my very blood and bones. If I am not an American, who ever was?" There is not a line in any of the letters, as there is not in anything he wrote in prose or verse, that does not confirm the spirit of these indignant words. They were written before his political life began—it may be said to have begun with the political poems which the fools and cowards supposed had ruined him forever—and before his long residence in England as our American Minister to the British Court. But they never became less true than they were when written. The only defect in his foreign temper was a too dangerous sensibility to the honor of his country and the respect due to her, from which the innocent sometimes suffered with the guilty. He found many things in England to admire, having eyes in his head and being a poet into the bargain, and he found many friends to love, Mr. Leslie Stephen among the best. But he found nothing to make him less a patriot at home, no bit of earth so dear as that which nourished his own Elmwood trees and vines. The hue and cry upon his recreancy to America were too obviously the spawn of Irish-American politics, the social vulgarity he had repelled, and partisan revenge, to need any additional rebuke at this late day. But, if they needed any, his letters from England and to English friends would furnish it in good measure, pressed down and running over.

In no respect do these letters show us Lowell at greater advantage than in the various relations of friendship and affection that enriched his life. He had the warmest heart, the kindest disposition, in the world. There are letters here that must have made the men and women who received them wonder what they had done that God should be so good and give them such a friend. These, with the rest, will give to Lowell's literary work a background of personality that will bring it into clear relief, and make that and him even more dear to the whole English-speaking world than they have been heretofore.

JOHN WHITE CHADWICK.

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CHILD-STUDY IN THE HOSPITAL—A RECORD OF SIX HUNDRED CASES.

A HOSPITAL, from the physician's point of view, is a place to study the nature of disease and the most approved methods of cure. Many other interesting questions, however, confront one in such a service. Where have all these patients come from? How far are they unfortunate—the victims of adverse circumstances? What, under the most favorable view, does life hold in store for them? If such important questions were studied more in hospitals, sociology as well as pathology would be indebted to these institutions.

The group of cases that I describe in this article comprises children whom I attended in the babies' wards of the New York Post-Graduate Hospital. Endeavor was made to find out as nearly as possible the environment and life conditions of these little children on entrance. They represent thousands of others who are practically in the same circumstances; and, since they are in the most active, formative period of life, some light may be thrown on the way in which so many are handicapped by a defective physical and mental development. The study of children is simplified by being divested of many confusing factors which enter into the investigation of adult misfortune. In the latter, intemperance, idleness, and bad habits of various kinds play their part as true causative agents.

Of the 600 cases considered, 322 were males and 278 females. The ages ranged as follows: one week, 20 cases; one month, 45; three months, 100; six months, 100; one year, 124; two years, 123; three years, 49; four years and more, 39. Inquiries were made in regard to certain social facts about the parents, as throwing light upon the past and future lives of the children. Twenty-two different races and nationalities were represented in the families, the three highest being the Irish, 70, the German, 110, and the American, 250,—most of the latter, however, being of Irish descent. Of the fathers, 490 were living and 110 dead. Among the living fathers 245 were healthy and 113 were unhealthy, while the physical condition of 132 was unknown. Of the mothers, 556 were living and 44 dead; 298 were healthy, 75 were diseased, and no satisfactory

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information could be procured about the health of 227. The parents were unmarried in 25 cases, unknown in 51, and in the remaining 524 cases claimed to be married. In 114 cases the wives had been deserted by their husbands, leaving them with families of little children and without means of support. The common history appeared to be that the man, unable to get steady work, either through fault or misfortune, after spending much of his time at a saloon, would suddenly leave for parts unknown. In such cases drinking habits are both a cause and an effect of misfortune. There is no doubt that the saloon is the greatest curse to these people in absorbing their scanty resources. Every saloon in a poor and densely populated neighborhood means so many neglected women, and pinched, ill-clad, suffering children. Among 200 cases in which direct inquiry was made, 14 were drunkards, 140 claimed to drink in moderation, 31 were abstainers, and the habits of 15 were unknown. In a few cases husbands had been deserted by their wives. In many the poverty was extreme, as might be expected from the disinclination of even the poorest classes to leave an infant or very young child in a hospital.

Endeavor was made to find out the earning capacity and resources of the families. In 88 cases the fathers were out of work; in 176 cases the mothers as well as the fathers were obliged to work, while in 106 cases the mothers were the sole bread-winners. The combined earning capacities of the families were, in 150 cases, between $5 and $10 per week, and in 117 cases $5 or less per week. In many of the latter cases a father and mother with several children were obliged to subsist on a weekly income of from $3 to $4. In 248 cases the weekly earnings were reported to be very small, the exact amount being variable or unknown. In only 85 cases was the earning capacity of the family more than $10 per week.[1] The number of other children in the families from which these little ones came was as follows: no other children in 125 families; one, in 148; two, in 92; three, in 63; four, in 38; five, in 31; six, in 10; seven or more in 14; number unknown in 79. This is not as large a showing as one would expect. Of 200 families 82 were Roman Catholics, 76 Protestants, 17 Jewish, and 25 were of no religion.

Coming now to the children themselves, the condition at birth was reported to be good in 508 cases, bad in 20 cases, only fair in

[1] These statistics were collected during 1891 and 1892, and hence do not represent the present hard times. They show the usual and chronic condition of many people in average times.

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12 cases, and in 60 unknown. This brings out an exceedingly important point, namely, that the troubles of these 600 infants were usually acquired and not hereditary. While a tendency to constitutional disease may be inherited, it is the bad surroundings and faulty conditions of life that powerfully predispose to illness. Environment is stronger than heredity in this as in many other factors in early life. Some years ago, about twenty little children were received under my care at St. Christopher's Home. They came from the tenement-houses, and, like most neglected children under similar circumstances, showed an inferior degree of physical development. Most of them were scrofulous, with a constant tendency to skin eruptions. For two or three years these children were constantly ill, requiring much medical treatment and oversight. Every year, however, showed an improvement in general condition, and now, after eight years, they are very rarely ailing, except from accidental infection, such as whooping-cough. Good food and air, with intelligent training, have made healthy children out of these not very promising cases, showing the potency of environment in producing improvement when favorable, as well as causing degeneration when unfavorable.

Poverty and ignorance kill and cripple more than disease germs, or, rather, these malign conditions furnish a fruitful soil for the attraction and development of all kinds of specific poisons. To show how poverty cramps these lives at the very beginning, 257 of the cases were deprived of maternal nourishment before the proper time, and 101 of the babies had never received it at all. The usual reason was that the mothers were obliged to go out to work and to remain away for too long intervals to care properly for their infants. As a direct result a large number develop rickets, which is accompanied by a softening of the bones, together with great irritation of the nervous system. Almost all these diseases could have been prevented by proper diet and care, and yet, when brought to the hospital, they were frequently so far advanced as to result either in death or in a more or less permanent crippling of healthy life.

The waste of child-life in densely populated centres, especially in New York, is fearful. Last year the bodies of 3,042 children under five years of age were received at the morgue, and 2,851 of them were buried in Potter's Field. "Killed by poverty and ignorance" should be written on the little rough pine boxes. They represent a small proportion of the whole. Many do not succumb, but in the very beginning of life are inevitably cramped by hunger and cold,

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by scanty training and equipment, and in every way insufficiently prepared for the pitiless competition that so soon awaits them in the fierce struggle for subsistence. A grim record of the future failure in store for such is found in the fact that ten per cent of the people who die in New York have to be buried at the city's expense in Potter's Field. Some light is thrown on this fact by the histories of these 600 cases, only 100 of whom died, the rest being left to struggle on through life as best they may.

After much observation in hospital and dispensary, I am convinced that there is no specific for the poverty and ignorance that are so widespread. The cause, as well as the cure, must be individual and social. It is along these two lines that amelioration should take place. Whether there will actually be improvement depends largely upon the more intelligent and better favored classes. The first duty is toward the individual. He must be educated and strengthened, physically, mentally, and morally, so as to make the best of the resources at hand and thus have a better fighting chance. But individual improvement requires individual and prolonged work on the part of those who are better equipped. Comparatively few are willing to engage in such work. But the fault is not always or entirely with the individual. Our civilization has become too selfishly individualistic. The law of competition is pushed to its extremest limits. Here we have 117 families in a small area of a city with an earning capacity of from $2 to $5 per week, and ten per cent of the entire inhabitants dying in the city have not accumulated enough in a lifetime to procure burial for themselves.

It is evidently time to consider whether some reasonable form of coöperation cannot be substituted for this bitter competition so wasteful of human life. Has not society a right to check, in some degree, inordinate greed in certain of its members? But here arises socialism, to many a great bugbear. As a conception, socialism is not only philosophically but ethically right. It is society doing for the individual what he cannot well do for himself. It affords the opportunity to develop what is best and most useful in him by mutual coöperation and is the goal toward which we should strive. But the higher form of socialism is not possible when the individual character is selfish and defective. An ideal socialism requires an ideal individualism. By developing a nobler individualism, we are helping to usher in a proper socialism.

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